STATE OF NEW YORK

1509--B

IN SENATE

January 18, 2019

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to extending provisions relating to mandatory electronic filing of tax documents (Part A); to amend the economic development law, in relation to the employee training incentive program (Part B); to amend the tax law and the administrative code of the city of New York, in relation to including in the apportionment fraction receipts constituting net global intangible low-taxed income (Part C); to amend the tax law and the administrative code of the city of New York, in relation to the adjusted basis for property used to determine whether a manufacturer is a qualified New York manufacturer (Part D); to amend part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, in relation to extending the effectiveness thereof (Part E); to amend the tax law in relation to the inclusion in a decedent's New York gross estate any qualified terminable interest property for which a prior deduction was allowed and certain pre-death gifts (Part F); to amend the tax law, in relation to requiring marketplace providers to collect sales tax (Part G); to amend the tax law, in relation to eliminating the reduced tax rates under the sales and use tax with respect to certain gas and electric service; and to repeal certain provisions of the tax law and the administrative code of the city of New York related thereto (Part H); to amend the real property tax law, in relation to the determination and use of state equalization rates (Part I); to amend the real property tax law and local finance law, in relation to local option disaster assessment relief (Subpart A); to amend the real property tax law, in relation to authorizing agreements for assessment review services (Subpart B); to amend the real property tax law, in relation to the training of assessors and county directors of real property tax services (Subpart C); to amend the real property

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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tax law, in relation to providing certain notifications electronically (Subpart D); to amend the real property tax law, in relation to the valuation and taxable status dates of special franchise property (Subpart E); and to amend the real property tax law, in relation to the reporting requirements of power plants (Subpart F) (Part J); to repeal section 3-d of the general municipal law, relating to certification of compliance with tax levy limit (Part K); to amend the tax law, in relation to creating an employer-provided child care credit (Part L); to amend the tax law, in relation to including gambling winnings in New York source income and requiring withholding thereon (Part M); to amend the tax law, in relation to the farm workforce retention credit (Part N); to amend the tax law, in relation to updating tax preparer penalties; to amend part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to the effectiveness thereof; and to repeal certain provisions of the tax law, relating to tax preparer penalties (Part O); to amend the tax law, in relation to extending the top personal income tax rate for five years (Part P); to amend the tax law and the administrative code of the city of New York, in relation to extending for five years the limitations on itemized deductions for individuals with incomes over one million dollars (Part Q); to amend the tax law, in relation to extending the clean heating fuel credit for three years (Part R); to amend chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness thereof (Part S); to amend the cooperative corporations law and the rural electric cooperative law, in relation to eliminating certain license fees (Part T); to amend the tax law, in relation to a credit for the rehabilitation of historic properties for state owned property leased to private entities (Part U); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property or services (Part V); to amend the mental hygiene law and the tax law, in relation to the creation and administration of a tax credit for employment of eligible individuals in recovery from a substance use disorder (Part W); to amend the tax law and the administrative code of the city of New York, in relation to excluding from entire net income certain contributions to the capital of a corporation (Part X); intentionally omitted (Part Y); to amend the tax law, the administrative code of the city of New York, and chapter 369 of the laws of 2018 amending the tax law relating to unrelated business taxable income of a taxpayer, in relation to making technical corrections thereto (Part Z); to amend the real property tax law, in relation to tax exemptions for energy systems (Part AA); to amend the racing, pari-mutuel wagering and breeding law, in relation to employees of the state gaming commission (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to the thoroughbred and standardbred breeding funds (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to the office of the gaming inspector general; and to repeal title 9 of article 13 of the racing, pari-mutuel wagering and breeding law relating to the gaming inspector general (Subpart A); intentionally omitted (Subpart B); to amend the racing, pari-mutuel wagering and breeding law, in relation to the Harry M. Zweig memorial fund (Subpart C); intentionally omitted (Subpart D)(Part DD); intentionally omitted (Part EE); to amend the racing, pari-mutuel wagering and breeding law, in relation to the deductibili-

ty of promotional credits (Part FF); to amend the racing, pari-mutuel wagering and breeding law, in relation to the operations of off-track betting corporations (Part GG); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part HH); intentionally omitted (Part II); to amend part EE of chapter 59 of the laws of 2018, amending the racing, pari-mutuel wagering and breeding law, relating to adjusting the franchise payment establishing an advisory committee to review the structure, operations and funding of equine drug testing and research, in relation to the date of delivery for recommendations; and to amend the racing, pari-mutuel wagering and breeding law, in relation to the advisory committee on equine drug testing, and equine lab testing provider restrictions removal (Part JJ); intentionally omitted (Part KK); intentionally omitted (Part LL); to amend the tax law, in relation to cooperative housing corporation information returns (Part MM); to amend the tax law, in relation to making a technical correction to the enhanced real property tax circuit breaker credit (Part NN); to amend the tax law, in relation to mobile home reporting requirements (Part OO); to amend the real property tax law and the tax law, in relation to eligibility for STAR exemptions and credits (Part PP); to amend the real property tax law and the tax law, in relation to authorizing the disclosure of certain information to assessors (Part QQ); intentionally omitted (Part RR); to amend the real property tax law, in relation to clarifying certain notices on school tax bills (Part SS); to amend the real property tax law and the tax law, in relation to making the STAR program more accessible to taxpayers (Part TT); to amend the public health law, in relation to increasing the purchasing age for tobacco products and electronic cigarettes from eighteen to twenty-one; prohibiting sales of tobacco products and electronic cigarettes in all pharmacies; prohibiting the acceptance of price reduction instruments for both tobacco products and electronic cigarettes; prohibiting the display of tobacco products or electronic cigarettes in stores; clarifying that the department of health has the authority to promulgate regulations that restrict the sale or distribution of electronic cigarettes or electronic liquids that have a characterizing flavor, and the use of names for characterizing flavors; prohibiting smoking inside and on the grounds of all hospitals licensed or operated by the office of mental health; taxing electronic liquid; and requiring that electronic cigarettes be sold only through licensed vapor products retailers; to amend the general business law, in relation to the packaging of vapor products; to amend the tax law, in relation to imposing a supplemental tax on vapor products; to amend the state finance law, in relation to adding revenues from the supplemental tax on vapor products to the health care reform act resource fund; and repealing paragraph (e) of subdivison 1 of section 1399-cc of the public health law relating to the definitions of nicotine, electronic liquid and e-liquid (Part UU);

intentionally omitted (Part VV); to amend the tax law, in relation to imposing a special tax on passenger car rentals outside of the metropolitan commuter transportation district (Part WW); to amend the tax law, in relation to imposing a tax on Opioids (Part XX); intentionally omitted (Part YY); to amend the racing, pari-mutuel wagering and breeding law, in relation to regulation of sports betting (Part ZZ); to amend the tax law, in relation to authorizing the county of Westchester to impose an additional rate of sales and compensating use tax; and to amend chapter 272 of the laws of 1991, amending the tax law relating to the method of disposition of sales and compensating use tax revenue in Westchester county and enacting the Westchester county spending limitation act, in relation to extending the expiration thereof (Part AAA); to amend the real property tax law, in relation to imposing an additional tax on certain non-primary residence class one and class two properties in a city with a population of one million or more (Part BBB); to amend the tax law, in relation to the authorized combative sports tax (Part CCC); to amend the tax law, in relation to the definition of the term monuments for sales and use tax exemption purposes (Part DDD); and to amend the tax law, in relation to requiring unclaimed lottery prizes to be paid into the state treasury (Part EEE)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2019-2020 state fiscal year. Each component is wholly contained within a Part identified as Parts A through EEE. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Intentionally Omitted.

§ 2. Intentionally Omitted.

§ 3. Intentionally Omitted.

§ 4. Intentionally Omitted.

§ 5. Section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, as amended by section 5 of part G of chapter 60 of the laws of 2016, is amended to read as follows:

§ 23. This act shall take effect immediately; provided, however, that:

(a) the amendments to section 29 of the tax law made by section thirteen of this act shall apply to tax documents filed or required to be filed on or after the sixtieth day after which this act shall have become a law and shall expire and be deemed repealed December 31, [~~2019~~] **2022**, provided however that the amendments to paragraph 4 of subdivision (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of section 29 of the tax law made by section thirteen of this act with

regard to individual taxpayers shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission of the date of the issuance of such report in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law;

(b) sections fourteen, fifteen, sixteen and seventeen of this act shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eight-y-five percent;

(c) sections fourteen-a and fifteen-a of this act shall take effect September 15, 2011 and expire and be deemed repealed December 31, 2012 but shall take effect only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is eighty-five percent or greater;

(d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this act shall take effect January 1, [~~2020~~] **2023** but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; and

(e) sections twenty-one and twenty-one-a of this act shall expire and be deemed repealed December 31, [~~2019~~] **2022**.

§ 6. This act shall take effect immediately.

PART B

Section 1. Subdivision 3 of section 441 of the economic development law, as amended by section 1 of part L of chapter 59 of the laws of 2017, is amended to read as follows:

3. "Eligible training" means (a) training provided by **the business entity or** an approved provider that is:

(i) to upgrade, retrain or improve the productivity of employees;

(ii) provided to employees in connection with a significant capital investment by a participating business entity;

(iii) determined by the commissioner to satisfy a business need on the part of a participating business entity;

(iv) not designed to train or upgrade skills as required by a federal or state entity;

(v) not training the completion of which may result in the awarding of a license or certificate required by law in order to perform a job function; and

(vi) not culturally focused training; or

(b) an internship program in advanced technology [~~or~~]**,** life sciences**, software development or clean energy** approved by the commissioner and provided by **the business entity or** an approved provider, on or after August first, two thousand fifteen, to provide employment and experience

opportunities for current students, recent graduates, and recent members of the armed forces.

§ 2. Paragraph (b) of subdivision 1 of section 442 of the economic development law, as amended by section 2 of part L of chapter 59 of the laws of 2017, is amended to read as follows:

(b) The business entity must demonstrate that it is **conducting eligible training or** obtaining eligible training from an approved provider;

§ 3. Paragraph (a) of subdivision 2 of section 443 of the economic development law, as added by section 1 of part O of chapter 59 of the laws of 2015, is amended to read as follows:

(a) provide such documentation as the commissioner may require in order for the commissioner to determine that the business entity intends to **conduct eligible training or** procure eligible training for its employees from an approved provider;

§ 4. This act shall take effect immediately.

PART C

Section 1. Section 210-A of the tax law is amended by adding a new subdivision 5-a to read as follows:

5-a. Net global intangible low-taxed income. Notwithstanding any other provision of this section, net global intangible low-taxed income shall be included in the apportionment fraction as provided in this subdivision. Receipts constituting net global intangible low-taxed income shall not be included in the numerator of the apportionment fraction. Receipts constituting net global intangible low-taxed income shall be included in the denominator of the apportionment fraction. For purposes of this subdivision, the term "net global intangible low-taxed income" means the amount required to be included in the taxpayer's federal gross income pursuant to subsection (a) of section 951A of the internal revenue code less the amount of the deduction allowed under clause (i) of section 250(a)(1)(B) of such code.

§ 2. Section 11-654.2 of the administrative code of the city of New York is amended by adding a new subdivision 5-a to read as follows:

5-a. Notwithstanding any other provision of this section, net global intangible low-taxed income shall be included in the receipts fraction as provided in this subdivision. Receipts constituting net global intangible low-taxed income shall not be included in the numerator of the receipts fraction. Receipts constituting net global intangible low-taxed income shall be included in the denominator of the receipts fraction. For purposes of this subdivision, the term "net global intangible low-taxed income" means the amount required to be included in the taxpayer's federal gross income pursuant to subsection (a) of section 951A of the internal revenue code less the amount of the deduction allowed under clause (i) of section 250(a)(1)(B) of such code.

§ 3. Subparagraph (2) of paragraph (a) of subdivision (3) of section 11-604 of the administrative code of the city of New York is amended by adding a new clause (E) to read as follows:

(E) notwithstanding any other provision of this paragraph, net global intangible low-taxed income shall be included in the receipts fraction as provided in this clause. Receipts constituting net global intangible low-taxed income shall not be included in the numerator of the receipts fraction. Receipts constituting net global intangible low-taxed income shall be included in the denominator of the receipts fraction. For purposes of this clause, the term "net global intangible low-taxed income" means the amount that would have been required to be included in

the taxpayer's federal gross income pursuant to subsection (a) of section 951A of the internal revenue code less the amount of the deduction that would have been allowed under clause (i) of section 250(a)(1)(B) of such code if the taxpayer had not made an election under subchapter s of chapter one of the internal revenue code.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2018.

PART D

Section 1. Subparagraph (vi) of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 11 of part T of chapter 59 of the laws of 2015, is amended to read as follows:

(vi) for taxable years beginning on or after January first, two thousand fourteen, the amount prescribed by this paragraph for a taxpayer [~~which~~] that is a qualified New York manufacturer, shall be computed at the rate of zero percent of the taxpayer's business income base. The term "manufacturer" shall mean a taxpayer [~~which~~] that during the taxable year is principally engaged in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture or commercial fishing. However, the generation and distribution of electricity, the distribution of natural gas, and the production of steam associated with the generation of electricity shall not be qualifying activities for a manufacturer under this subparagraph. Moreover, in the case of a combined report, the combined group shall be considered a "manufacturer" for purposes of this subparagraph only if the combined group during the taxable year is principally engaged in the activities set forth in this paragraph, or any combination thereof. A taxpayer or, in the case of a combined report, a combined group shall be "principally engaged" in activities described above if, during the taxable year, more than fifty percent of the gross receipts of the taxpayer or combined group, respectively, are derived from receipts from the sale of goods produced by such activities. In computing a combined group's gross receipts, intercorporate receipts shall be eliminated. A "qualified New York manufacturer" is a manufacturer [~~which~~] that has property in New York [~~which~~] that is described in clause (A) of subparagraph (i) of paragraph (b) of subdivision one of section two hundred ten-B of this article and either (I) the adjusted basis of such property for [~~federal income~~] New York state tax purposes at the close of the taxable year is at least one million dollars or (II) all of its real and personal property is located in New York. A taxpayer or, in the case of a combined report, a combined group, that does not satisfy the principally engaged test may be a qualified New York manufacturer if the taxpayer or the combined group employs during the taxable year at least two thousand five hundred employees in manufacturing in New York and the taxpayer or the combined group has property in the state used in manufacturing, the adjusted basis of which for [~~federal income~~] New York state tax purposes at the close of the taxable year is at least one hundred million dollars.

§ 2. Subparagraph 2 of paragraph (b) of subdivision 1 of section 210 of the tax law, as amended by section 18 of part T of chapter 59 of the laws of 2015, is amended to read as follows:

(2) For purposes of subparagraph one of this paragraph, the term "manufacturer" shall mean a taxpayer [~~which~~] that during the taxable year is principally engaged in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agricul-

ture, horticulture, floriculture, viticulture or commercial fishing. Moreover, for purposes of computing the capital base in a combined report, the combined group shall be considered a "manufacturer" for purposes of this subparagraph only if the combined group during the taxable year is principally engaged in the activities set forth in this subparagraph, or any combination thereof. A taxpayer or, in the case of a combined report, a combined group shall be "principally engaged" in activities described above if, during the taxable year, more than fifty percent of the gross receipts of the taxpayer or combined group, respectively, are derived from receipts from the sale of goods produced by such activities. In computing a combined group's gross receipts, intercorporate receipts shall be eliminated. A "qualified New York manufacturer" is a manufacturer that has property in New York that is described in clause (A) of subparagraph (i) of paragraph (b) of subdivision one of section two hundred ten-B of this article and either (i) the adjusted basis of that property for [~~federal income~~] **New York state** tax purposes at the close of the taxable year is at least one million dollars or (ii) all of its real and personal property is located in New York. In addition, a "qualified New York manufacturer" means a taxpayer that is defined as a qualified emerging technology company under paragraph (c) of subdivision one of section thirty-one hundred two-e of the public authorities law regardless of the ten million dollar limitation expressed in subparagraph one of such paragraph. A taxpayer or, in the case of a combined report, a combined group, that does not satisfy the principally engaged test may be a qualified New York manufacturer if the taxpayer or the combined group employs during the taxable year at least two thousand five hundred employees in manufacturing in New York and the taxpayer or the combined group has property in the state used in manufacturing, the adjusted basis of which for [~~federal income~~] **New York state** tax purposes at the close of the taxable year is at least one hundred million dollars.

§ 3. Clause (ii) of subparagraph 4 of paragraph (k) of subdivision 1 of section 11-654 of the administrative code of the city of New York, as added by section 1 of part D of chapter 60 of the laws of 2015, is amended to read as follows:

(ii) A "qualified New York manufacturing corporation" is a manufacturing corporation that has property in the state [~~which~~] **that** is described in subparagraph five of this paragraph and either (A) the adjusted basis of such property for [~~federal income~~] **New York state** tax purposes at the close of the taxable year is at least one million dollars or (B) more than fifty [~~percentum~~] **percent** of its real and personal property is located in the state.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2018.

PART E

Section 1. Section 5 of part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program is amended to read as follows:

§ 5. This act shall take effect January 1, 2015, and shall apply to taxable years beginning on and after that date; provided, however, that this act shall expire and be deemed repealed January 1, [~~2020~~] **2023**.

§ 2. This act shall take effect immediately.

PART F

Section 1. Paragraph 3 of subsection (a) of section 954 of the tax law, as amended by section 2 of part BB of chapter 59 of the laws of 2015, is amended to read as follows:

(3) Increased by the amount of any taxable gift under section 2503 of the internal revenue code not otherwise included in the decedent's federal gross estate, made during the three year period ending on the decedent's date of death, but not including any gift made: (A) when the decedent was not a resident of New York state; or (B) before April first, two thousand fourteen; or (C) that is real or tangible personal property having an actual situs outside New York state at the time the gift was made. Provided, however that this paragraph shall not apply to the estate of a [~~decendent~~] **decedent** dying on or after January first, two thousand [~~nineteen~~] **twenty-six**.

§ 2. Subsection (a) of section 954 of the tax law is amended by adding a new paragraph 4 to read as follows:

(4) Increased by the value of any property not otherwise already included in the decedent's federal gross estate in which the decedent had a qualifying income interest for life if a deduction was allowed on the return of the tax imposed by this article with respect to the transfer of such property to the decedent by reason of the application of paragraph (7) of subsection (b) of section 2056 of the internal revenue code, as made applicable to the tax imposed by this article by section nine hundred ninety-nine-a of this article, whether or not a federal estate tax return was required to be filed by the estate of the transferring spouse.

§ 3. Subsection (c) of section 955 of the tax law, as added by section 4 of part X of chapter 59 of the laws of 2014, is amended to read as follows:

(c) Qualified terminable interest property election.-- Except as otherwise provided in this subsection, the election referred to in paragraph (7) of subsection (b) of section 2056 of the internal revenue code shall not be allowed under this article unless such election was made with respect to the federal estate tax return required to be filed under the provisions of the internal revenue code. If such election was made for the purposes of the federal estate tax, then such election must also be made by the executor on the return of the tax imposed by this article. Where no federal estate tax return is required to be filed, the executor [~~may~~] **must** make the election referred to in such paragraph (7) with respect to the tax imposed by this article on the return of the tax imposed by this article. Any election made under this subsection shall be irrevocable.

§ 4. This act shall take effect immediately; provided however that section one of this act shall apply to estates of decedents dying on or after January 1, 2019 and sections two and three of this act shall apply to estates of decedents dying on or after April 1, 2019.

PART G

Section 1. Section 1101 of the tax law is amended by adding a new subdivision (e) to read as follows:

(e) When used in this article for the purposes of the taxes imposed under subdivision (a) of section eleven hundred five of this article and by section eleven hundred ten of this article, the following terms shall mean:

(1) Marketplace provider. A person who, pursuant to an agreement with a marketplace seller, facilitates sales of tangible personal property by such marketplace seller or sellers. A person "facilitates a sale of tangible personal property" for purposes of this paragraph when the person meets both of the following conditions: (A) such person provides the forum in which, or by means of which, the sale takes place or the offer of sale is accepted, including a shop, store, or booth, an internet website, catalog, or similar forum; and (B) such person or an affiliate of such person collects the receipts paid by a customer to a marketplace seller for a sale of tangible personal property, or contracts with a third party to collect such receipts. For purposes of this paragraph, a "sale of tangible personal property" shall not include the rental of a passenger car as described in section eleven hundred sixty of this chapter but shall include a lease described in subdivision (i) of section eleven hundred eleven of this article. For purposes of this paragraph, persons are affiliated if one person has an ownership interest of more than five percent, whether direct or indirect, in another, or where an ownership interest of more than five percent, whether direct or indirect, is held in each of such persons by another person or by a group of other persons that are affiliated persons with respect to each other.

(2) Marketplace seller. Any person, whether or not such person is required to obtain a certificate of authority under section eleven hundred thirty-four of this article, who has an agreement with a marketplace provider under which the marketplace provider will facilitate sales of tangible personal property by such person within the meaning of paragraph one of this subdivision.

§ 2. Subdivision 1 of section 1131 of the tax law, as amended by section 1 of part X of chapter 59 of the laws of 2018, is amended to read as follows:

(1) "Persons required to collect tax" or "person required to collect any tax imposed by this article" shall include: every vendor of tangible personal property or services; every recipient of amusement charges; [~~and~~] every operator of a hotel; and every marketplace provider with respect to sales of tangible personal property it facilitates as described in paragraph one of subdivision (e) of section eleven hundred one of this article. Said terms shall also include any officer, director or employee of a corporation or of a dissolved corporation, any employee of a partnership, any employee or manager of a limited liability company, or any employee of an individual proprietorship who as such officer, director, employee or manager is under a duty to act for such corporation, partnership, limited liability company or individual proprietorship in complying with any requirement of this article, or has so acted; and any member of a partnership or limited liability company. Provided, however, that any person who is a vendor solely by reason of clause (D) or (E) of subparagraph (i) of paragraph (8) of subdivision (b) of section eleven hundred one of this article shall not be a "person required to collect any tax imposed by this article" until twenty days after the date by which such person is required to file a certificate of registration pursuant to section eleven hundred thirty-four of this part.

§ 3. Section 1132 of the tax law is amended by adding a new subdivision (l) to read as follows:

(l)(1) A marketplace provider with respect to a sale of tangible personal property it facilitates: (A) shall have all the obligations and rights of a vendor under this article and article twenty-nine of this

chapter and under any regulations adopted pursuant thereto, including, but not limited to, the duty to obtain a certificate of authority, to collect tax, file returns, remit tax, and the right to accept a certificate or other documentation from a customer substantiating an exemption or exclusion from tax, the right to receive the refund authorized by subdivision (e) of this section and the credit allowed by subdivision (f) of section eleven hundred thirty-seven of this part subject to the provisions of such subdivisions; and (B) shall keep such records and information and cooperate with the commissioner to ensure the proper collection and remittance of tax imposed, collected or required to be collected under this article and article twenty-nine of this chapter.

(2) A marketplace seller who is a vendor is relieved from the duty to collect tax in regard to a particular sale of tangible personal property subject to tax under subdivision (a) of section eleven hundred five of this article and shall not include the receipts from such sale in its taxable receipts for purposes of section eleven hundred thirty-six of this part if, in regard to such sale: (A) the marketplace seller can show that such sale was facilitated by a marketplace provider from whom such seller has received in good faith a properly completed certificate of collection in a form prescribed by the commissioner, certifying that the marketplace provider is registered to collect sales tax and will collect sales tax on all taxable sales of tangible personal property by the marketplace seller facilitated by the marketplace provider, and with such other information as the commissioner may prescribe; and (B) any failure of the marketplace provider to collect the proper amount of tax in regard to such sale was not the result of such marketplace seller providing the marketplace provider with incorrect information. This provision shall be administered in a manner consistent with subparagraph (i) of paragraph one of subdivision (c) of this section as if a certificate of collection were a resale or exemption certificate for purposes of such subparagraph, including with regard to the completeness of such certificate of collection and the timing of its acceptance by the marketplace seller. Provided that, with regard to any sales of tangible personal property by a marketplace seller that are facilitated by a marketplace provider who is affiliated with such marketplace seller within the meaning of paragraph one of subdivision (e) of section eleven hundred one of this article, the marketplace seller shall be deemed liable as a person under a duty to act for such marketplace provider for purposes of subdivision one of section eleven hundred thirty-one of this part.

(3) The commissioner may, in his or her discretion: (A) develop a standard provision, or approve a provision developed by a marketplace provider, in which the marketplace provider obligates itself to collect the tax on behalf of all the marketplace sellers for whom the marketplace provider facilitates sales of tangible personal property, with respect to all sales that it facilitates for such sellers where delivery occurs in the state; and (B) provide by regulation or otherwise that the inclusion of such provision in the publicly-available agreement between the marketplace provider and marketplace seller will have the same effect as a marketplace seller's acceptance of a certificate of collection from such marketplace provider under paragraph two of this subdivision.

§ 4. Section 1133 of the tax law is amended by adding a new subdivision (f) to read as follows:

(f) A marketplace provider is relieved of liability under this section for failure to collect the correct amount of tax to the extent that the

marketplace provider can show that the error was due to incorrect information given to the marketplace provider by the marketplace seller. Provided, however, this subdivision shall not apply if the marketplace seller and marketplace provider are affiliated within the meaning of paragraph one of subdivision (e) of section eleven hundred one of this article.

§ 5. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as amended by section 46 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(4) The return of a vendor of tangible personal property or services shall show such vendor's receipts from sales and the number of gallons of any motor fuel or diesel motor fuel sold and also the aggregate value of tangible personal property and services and number of gallons of such fuels sold by the vendor, the use of which is subject to tax under this article, and the amount of tax payable thereon pursuant to the provisions of section eleven hundred thirty-seven of this part. The return of a recipient of amusement charges shall show all such charges and the amount of tax thereon, and the return of an operator required to collect tax on rents shall show all rents received or charged and the amount of tax thereon. The return of a marketplace seller shall exclude the receipts from a sale of tangible personal property facilitated by a marketplace provider if, in regard to such sale: (A) the marketplace seller has timely received in good faith a properly completed certificate of collection from the marketplace provider or the marketplace provider has included a provision approved by the commissioner in the publicly-available agreement between the marketplace provider and the marketplace seller as described in subdivision one of section eleven hundred thirty-two of this part, and (B) the information provided by the marketplace seller to the marketplace provider about such tangible personal property is accurate.

§ 6. Section 1142 of the tax law is amended by adding a new subdivision 15 to read as follows:

(15) To publish a list on the department's website of marketplace providers whose certificates of authority have been revoked and, if necessary to protect sales tax revenue, provide by regulation or otherwise that a marketplace seller who is a vendor will be relieved of the duty to collect tax for sales of tangible personal property facilitated by a marketplace provider only if, in addition to the conditions prescribed by paragraph two of subdivision (l) of section eleven hundred thirty-two of this part being met, such marketplace provider is not on such list at the commencement of the quarterly period covered thereby.

§ 7. This act shall take effect immediately and shall apply to sales made on or after September 1, 2019.

PART H

Section 1. Subparagraph (A) of paragraph 1 of subdivision (b) of section 1105 of the tax law, as amended by section 9 of part S of chapter 85 of the laws of 2002, is amended to read as follows:

(A) gas, electricity, refrigeration and steam, and gas, electric, refrigeration and steam service of whatever nature, including the transportation, transmission or distribution of gas or electricity, even if sold separately;

§ 2. Section 1105-C of the tax law is REPEALED.

§ 3. Subparagraph (xi) of paragraph 4 of subdivision (a) of section 1210 of the tax law is REPEALED.

§ 4. Paragraph 8 of subdivision (b) of section 11-2001 of the administrative code of the city of New York is REPEALED.

§ 5. This act shall take effect June 1, 2019, and shall apply to sales made and services rendered on and after that date, whether or not under a prior contract.

PART I

Section 1. Subdivision 3 of section 1204 of the real property tax law, as added by chapter 115 of the laws of 2018, is amended to read as follows:

3. Where the tentative equalization rate is not within plus or minus five [~~percentage points~~] percent of the locally stated level of assessment, the assessor shall provide notice in writing to the local governing body of any affected town, city, village, county and school district of the difference between the locally stated level of assessment and the tentative equalization rate. Such notice shall be made within ten days of the receipt of the tentative equalization rate, or within ten days of the filing of the tentative assessment roll, whichever is later, and shall provide the difference in the indicated total full value estimates of the locally stated level of assessment and the tentative equalization rate for the taxable property within each affected town, city, village, county and school district, where applicable.

§ 2. The real property tax law is amended by adding a new section 1211 to read as follows:

§ 1211. Confirmation by commissioner of the locally stated level of assessment. Notwithstanding the foregoing provisions of this title, before the commissioner determines a tentative equalization rate for a city, town or village, he or she shall examine the accuracy of the locally stated level of assessment appearing on the tentative assessment roll. If the commissioner confirms the locally stated level of assessment, then as soon thereafter as is practicable, he or she shall establish and certify such locally stated level of assessment as the final equalization rate for such city, town or village in the manner provided by sections twelve hundred ten and twelve hundred twelve of this title. The provisions of sections twelve hundred four, twelve hundred six and twelve hundred eight of this title shall not apply in such cases, unless the commissioner finds that the final assessment roll differs from the tentative assessment roll to an extent that renders the locally stated level of assessment inaccurate, and rescinds the final equalization rate on that basis.

§ 3. Paragraph (d) of subdivision 1 of section 1314 of the real property tax law, as amended by chapter 158 of the laws of 2002, is amended to read as follows:

(d) **(i)** Such district superintendent shall also determine what proportion of any tax to be levied in such school district for school purposes during the current school year shall be levied upon each part of a city or town included in such school district by dividing the sum of the full valuation of real property in such part of a city or town by the total of all such full valuations of real property in such school district. **Provided, however, that prior to the levy of taxes, the governing body of the school district may adopt a resolution directing such proportions to be based upon the average full valuation of real property in each such city or town over either a three-year period, consisting of the current school year and the two prior school years, or over a five-year period, consisting of the current school year and the four prior school**

years. Once such a resolution has been adopted, the proportions for ensuing school years shall continue to be based upon the average full valuation of real property in each such city or town over the selected period, unless the resolution provides otherwise or is repealed.

(ii) Such proportions shall be expressed in the nearest exact ten thousandths and the school authorities of such school district shall levy such a proportion of any tax to be raised in the school district during the current school year upon each part of a city or town included in such school district as shall have been determined by the district superintendent. A new proportion shall be determined for each school year thereafter by the district superintendent in accordance with the provisions of this section by the use of the latest state equalization rates. In any such school district that is not within the jurisdiction of a district superintendent of schools, the duties which would otherwise be performed by the district superintendent under the provisions of this section, shall be performed by the school authorities of such district.

§ 4. This act shall take effect immediately.

PART J

Section 1. This Part enacts into law major components of legislation relating to the improvement of the administration of real property taxation in accordance with the real property tax law and other laws relating thereto. Each component is wholly contained within a Subpart identified as Subparts A through F. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this Part sets forth the general effective date of this Part.

SUBPART A

Section 1. The real property tax law is amended by adding a new section 497 to read as follows:

§ 497. Assessment relief in state disaster emergencies. 1. Notwithstanding any provision of law to the contrary, during a state disaster emergency as defined by section twenty of the executive law, an eligible municipality may exercise the provisions of this section if its governing body, by the sixtieth day following the date upon which the governor declares a state disaster emergency, passes a local law or ordinance, or in the case of a school district a resolution, adopting the provisions of this section. An eligible municipality may provide assessment relief for real property that is impacted by the disaster that led to the declaration of the state disaster emergency, and that is located within such municipality, as provided in subparagraphs (i), (ii), (iii) or (iv) of paragraph (a) of subdivision three of this section only if its governing body specifically elects to do so as part of such local law, ordinance or resolution. A copy of any such local law, ordinance or resolution shall be filed with the commissioner within ten days after the adoption thereof.

2. Definitions. For the purposes of this section, the following terms shall have the following meanings:

a. "Eligible county" shall mean a county, other than a county wholly contained within a city, specifically referenced within a declaration by the governor of a state disaster emergency.

b. "Eligible municipality" shall mean a municipal corporation, as defined by subdivision ten of section one hundred two of this chapter, that is either: (i) an eligible county; or (ii) a city, town, village, special district, or school district that is wholly or partly contained within an eligible county.

c. "Impacted tax roll" shall mean the final assessment roll that satisfies both of the following conditions: (a) the roll is based upon a taxable status date occurring prior to a disaster that is the subject of a declaration by the governor of a state disaster emergency; and (b) taxes levied upon that roll by or on behalf of a participating municipality are payable without interest on or after the date of the disaster.

d. "Participating municipality" shall mean an eligible municipality that has passed a local law, ordinance, or resolution to provide assessment relief to property owners within such eligible municipality pursuant to the provisions of this section.

e. "Total assessed value" shall mean the total assessed value of the parcel prior to any and all exemption adjustments.

f. "Improved value" shall mean the market value of the real property improvements excluding the land.

g. "Property" shall mean "real property", "property" or "land" as defined under paragraphs (a) through (g) of subdivision twelve of section one hundred two of this chapter.

3. Assessment relief for disaster victims in an eligible county. (a) Notwithstanding any provision of law to the contrary, where real property is impacted by a disaster that led to the declaration of a state disaster emergency, and such property is located within a participating municipality, assessment relief shall be granted as follows:

(i) If a participating municipality has elected to provide assessment relief for real property that lost at least ten percent but less than twenty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by fifteen percent for purposes of the participating municipality on the impacted tax roll.

(ii) If a participating municipality has elected to provide assessment relief for real property that lost at least twenty percent but less than thirty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by twenty-five percent for purposes of the participating municipality on the impacted tax roll.

(iii) If a participating municipality has elected to provide assessment relief for real property that lost at least thirty percent but less than forty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by thirty-five percent for purposes of the participating municipality on the impacted tax roll.

(iv) If a participating municipality has elected to provide assessment relief for real property that lost at least forty percent but less than fifty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by forty-five percent for purposes of the participating municipality on the impacted tax roll.

(v) If the property lost at least fifty but less than sixty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by fifty-five percent for purposes of the participating municipality on the impacted tax roll.

(vi) If the property lost at least sixty but less than seventy percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by sixty-five percent for purposes of the participating municipality on the impacted tax roll.

(vii) If the property lost at least seventy but less than eighty percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by seventy-five percent for purposes of the participating municipality on the impacted tax roll.

(viii) If the property lost at least eighty but less than ninety percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by eighty-five percent for purposes of the participating municipality on the impacted tax roll.

(ix) If the property lost at least ninety but less than one hundred percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by ninety-five percent for purposes of the participating municipality on the impacted tax roll.

(x) If the property lost one hundred percent of its improved value due to a disaster, the assessed value attributable to the improvements shall be reduced by one hundred percent for purposes of the participating municipality on the impacted tax roll.

(xi) The percentage loss in improved value for this purpose shall be adopted by the assessor from a written finding of the Federal Emergency Management Agency or, where no such finding exists, shall be determined by the assessor in the manner provided by this section, subject to review by the board of assessment review.

(xii) Where the assessed value of a property is reduced pursuant to this section, the difference between the property's assessed value and its reduced assessed value shall be exempt from taxation. No reduction in assessed value shall be granted pursuant to this section except as specified above for such counties. No reduction in assessed value shall be granted pursuant to this section for purposes of any county, city, town, village or school district that has not adopted the provisions of this section.

(b) To receive such relief pursuant to this section, a property owner in a participating municipality shall submit a written request to the assessor on a form prescribed by the commissioner within one hundred twenty days following the date upon which the state disaster emergency was declared by the governor, provided, however, that such one hundred twenty day period may be extended to a total of up to one hundred eighty days by a local law, ordinance or resolution adopted by the governing body of the assessing unit. A copy of any such local law, ordinance or resolution shall be filed with the commissioner. Such request shall attach any and all determinations by the Federal Emergency Management Agency, and any and all reports by an insurance adjuster, shall describe in reasonable detail the damage caused to the property by the disaster and the condition of the property following the disaster, and shall be accompanied by supporting documentation, if available.

(c) Upon receiving such a request, the assessor shall adopt the finding by the Federal Emergency Management Agency or, if such finding does not exist, the assessor shall make a finding as to whether the property lost at least fifty percent of its improved value or, if a participating

municipality has elected to provide assessment relief for real property that lost a lesser percentage of improved value such lesser percentage of its improved value, as a result of a disaster. The assessor shall thereafter adopt or classify the percentage loss of improved value within one of the following ranges:

(i) At least ten percent but less than twenty percent, provided that this range shall only be applicable if a participating municipality has elected to provide assessment relief for losses within this range,

(ii) At least twenty percent but less than thirty percent, provided that this range shall only be applicable if a participating municipality has elected to provide assessment relief for losses within this range,

(iii) At least thirty percent but less than forty percent, provided that this range shall only be applicable if a participating municipality has elected to provide assessment relief for losses within this range,

(iv) At least forty percent but less than fifty percent, provided that this range shall only be applicable if a participating municipality has elected to provide assessment relief for losses within this range,

(v) At least fifty percent but less than sixty percent,

(vi) At least sixty percent but less than seventy percent,

(vii) At least seventy percent but less than eighty percent,

(viii) At least eighty percent but less than ninety percent,

(ix) At least ninety percent but less than one hundred percent, or

(x) One hundred percent.

(d) On or before the thirtieth day after the last date for the filing of requests for relief pursuant to this section, the assessor shall mail written notice of such findings to the property owner and participating municipality. The notice shall indicate that if the property owner is dissatisfied with these findings, he or she may file a complaint with the board of assessment review up until the date specified in such notice, which date shall be the twenty-first day after the last date for the mailing of such notices. If any complaints are so filed, such board shall reconvene upon ten days written notice to the property owner and assessor to hear and determine the complaint, and shall mail written notice of its determination to the assessor and property owner within fifteen days of such hearing. The provisions of article five of this chapter shall govern the review process to the extent practicable. For the purposes of this section only, the applicant may commence, within thirty days of mailing of a written determination, a proceeding under title one of article seven of this chapter or, if applicable, under title one-A of article seven of this chapter. Sections seven hundred twenty-seven and seven hundred thirty-nine of this chapter shall not apply.

(e) Where property has lost at least fifty percent of its improved value or, if a participating municipality has elected to provide assessment relief for real property that lost a lesser percentage of improved value such lesser percentage, due to a disaster, the assessed value attributable to the improvements on the property on the impacted assessment roll shall be reduced by the appropriate percentage specified in paragraph (a) of this subdivision, provided that any exemptions that the property may be receiving shall be adjusted as necessary to account for such reduction in the total assessed value. To the extent the total assessed value of the property originally appearing on such roll exceeds the amount to which it should be reduced pursuant to this section, the excess shall be considered an error in essential fact as defined by subdivision three of section five hundred fifty of this chapter. The assessor shall thereupon be authorized and directed to correct the

assessment roll accordingly or, if another person has custody or control of the assessment roll, to direct such person to make the appropriate corrections. If the correction is made after taxes are levied but before such taxes are paid, the collecting officer shall be authorized and directed to correct the applicant's tax bill accordingly. If the correction is made after taxes are paid, the authorities of each participating municipal corporation shall be authorized and directed to issue a refund in the amount of the excess taxes paid with regard to such participating municipal corporation.

(f) The rights contained in this section shall not otherwise diminish any other legally available right of any property owner or party who may otherwise lawfully challenge the valuation or assessment of any real property or improvements thereon. All remaining rights hereby remain and shall be available to the party to whom such rights would otherwise be available notwithstanding this section.

4. School districts held harmless. Each school district that is wholly or partially contained within an eligible county shall be held harmless by the state for any reduction in state aid that would have been paid as tax savings pursuant to section thirteen hundred six-a of this chapter incurred due to the provisions of this section.

5. Bonds authorized. Serial bonds and, in advance of such, bond anticipation notes are hereby authorized pursuant to subdivision thirty-three-e of paragraph a of section 11.00 of the local finance law, provided, however, that any federal community development block grant funding received by such participating municipality, in relation to loss of property tax funding, shall first be used to defease, upon maturity, the interest and principal of any such bond or note so outstanding.

§ 2. Paragraph a of section 11.00 of the local finance law is amended by adding a new subdivision 33-e to read as follows:

33-e. Real property tax refunds and credits. Payments of exemptions, refunds, or credits for real property tax, sewer and water rents, rates and charges and all other real property taxes to be made by a municipality, school district or district corporation as a result of providing assessment relief in a state disaster emergency pursuant to section four hundred ninety-seven of the real property tax law, ten years.

§ 3. This act shall take effect immediately.

SUBPART B

Section 1. Paragraph (b) of subdivision 1 of section 523 of the real property tax law, as amended by chapter 223 of the laws of 1987, is amended to read as follows:

(b) The board of assessment review shall consist of not less than three nor more than five members appointed by the legislative body of the local government or village or as provided by subdivision five of section fifteen hundred thirty-seven of this chapter, if applicable. Members shall have a knowledge of property values in the local government or village. Neither the assessor nor any member of his or her staff may be appointed to the board of assessment review. A majority of such board shall consist of members who are not officers or employees of the local government or village.

§ 2. Subdivision 1 of section 1537 of the real property tax law, as added by chapter 512 of the laws of 1993, is amended and a new subdivision 5 is added to read as follows:

1. (a) An assessing unit and a county shall have the power to enter into, amend, cancel and terminate an agreement for appraisal services,

exemption services, [~~or~~] assessment services, **or assessment review services,** in the manner provided by this section. Such an agreement shall be considered an agreement for the provision of a "joint service" for purposes of article five-G of the general municipal law, notwithstanding the fact that the county would not have the power to perform such services in the absence of such an agreement.

(b) Any such agreement shall be approved by both the assessing unit and the county, by a majority vote of the voting strength of each governing body.

(c) In the case of an assessing unit, no such agreement shall be submitted to the governing body for approval unless at least forty-five days prior to such submission, the governing body shall have adopted a resolution, subject to a permissive referendum, authorizing the assessing unit to negotiate such an agreement with the county; provided, however, that such prior authorization shall not be required for an agreement to amend, cancel or terminate an existing agreement pursuant to this section.

5. An agreement between an assessing unit and a county for assessment review services shall provide for the members of the board of assessment review of the assessing unit to be appointed by the legislative body of the county upon the recommendation of the county director of the real property tax services. Each member so appointed shall be a resident of the county but need not be a resident of the assessing unit. The board of assessment review as so constituted shall have the authority to receive, review and resolve petitions for assessment review filed in such assessing unit, and for the corrections of errors therein, to the full extent set forth in article five of this chapter.

§ 3. Subdivision 1 of section 1408 of the real property tax law, as amended by chapter 473 of the laws of 1984, is amended to read as follows:

1. At the time and place and during the hours specified in the notice given pursuant to section fourteen hundred six of this chapter, the board of review shall meet to hear complaints relating to assessments brought before it. The board of trustees and assessors, or a committee of such board constituting at least a majority thereof and the assessors or a board of assessment review constituted pursuant to section five hundred twenty-three of this chapter, **or as provided by subdivision five of section fifteen hundred thirty-seven of this chapter, if applicable,** shall constitute the board of review.

§ 4. This act shall take effect immediately.

SUBPART C

Section 1. Subdivision 4 of section 318 of the real property tax law, as amended by chapter 527 of the laws of 1997 and as further amended by subdivision (b) of section 1 of part W of chapter 56 of the laws of 2010, is amended to read as follows:

4. Notwithstanding the provisions of this subdivision or any other law, the travel and other actual and necessary expenses incurred by an appointed or elected assessor, or by **a person appointed assessor for a forthcoming term, or by** an assessor-elect prior to the commencement of his **or her** term, in satisfactorily completing courses of training as required by this title or as approved by the commissioner, including continuing education courses prescribed by the commissioner which are satisfactorily completed by any elected assessor, shall be a state charge upon audit by the comptroller. Travel and other actual and neces-

sary expenses incurred by an acting assessor who has been exercising the powers and duties of the assessor for a period of at least six months, in attending training courses no earlier than twelve months prior to the date when courses of training and education are required, shall also be a state charge upon audit by the comptroller. Candidates for certification as eligible for the position of assessor, other than assessors or assessors-elect, shall be charged for the cost of training materials and shall be responsible for all other costs incurred by them in connection with such training. **Notwithstanding the foregoing provisions of this subdivision, if the provider of a training course has asked the commissioner to approve the course for credit only, so that attendees who successfully complete the course would be entitled to receive credit without having their expenses reimbursed by the state, and the commissioner has agreed to do so, the travel and other actual and necessary expenses incurred by such attendees shall not be a state charge.**

§ 2. Paragraph f of subdivision 3 of section 1530 of the real property tax law, as amended by chapter 361 of the laws of 1986 and as further amended by subdivision (b) of section 1 of part W of chapter 56 of the laws of 2010, is amended to read as follows:

f. Expenses in attending training courses. Notwithstanding the provisions of any other law, the travel and other actual and necessary expenses incurred by a director or a person appointed director for a forthcoming term in attending courses of training as required by this subdivision or as approved by the commissioner shall be a state charge upon audit by the comptroller. **Notwithstanding the foregoing provisions of this paragraph, if the provider of a training course has asked the commissioner to approve the course for credit only, so that attendees who successfully complete the course would be entitled to receive credit without having their expenses reimbursed by the state, and the commissioner has agreed to do so, the travel and other actual and necessary expenses incurred by such attendees shall not be a state charge.**

§ 3. This act shall take effect immediately.

SUBPART D

Section 1. Section 104 of the real property tax law, as added by section 1 of part U of chapter 61 of the laws of 2011, is amended to read as follows:

§ 104. Electronic real property tax administration. 1. Notwithstanding any provision of law to the contrary, the commissioner is hereby authorized to establish standards for electronic real property tax administration (E-RPT). Such standards shall set forth the terms and conditions under which the various tasks associated with real property tax administration may be executed electronically, dispensing with the need for paper documents. Such tasks shall include **any or all of the following**:

(a) The filing of exemption applications;

(b) The filing of petitions for administrative review of assessments;

(c) The filing of petitions for judicial review of assessments;

(d) The filing of applications for administrative corrections of errors;

(e) The issuance of statements of taxes;

(f) The payment of taxes, subject to the provisions of sections five and five-b of the general municipal law;

(g) The provision of receipts for the payment of taxes;

(h) The issuance of taxpayer notices required by law, including sections five hundred eight, five hundred ten, five hundred ten-a, five

hundred eleven, five hundred twenty-five and five hundred fifty-one-a through five hundred fifty-six-b of this chapter; and

(i) The furnishing of notices and certificates under this chapter relating to state equalization rates, residential assessment ratios, special franchise assessments, railroad ceilings, taxable state lands, advisory appraisals, and the certification of assessors and county directors or real property tax services**, subject to the provisions of subdivision five of this section**.

2. Such standards shall be developed after consultation with local government officials, the office of court administration **in the case of standards relating to petitions for judicial review of assessments,** and the office of the state comptroller **in the case of standards relating to payments or taxes and the issuance of receipts therefor**.

3. (a) Taxpayers shall not be required to accept notices, statements of taxes, receipts for the payment of taxes, or other documents electronically unless they have so elected. Taxpayers who have not so elected shall be sent such communications in the manner otherwise provided by law.

(b) [~~Assessors and other municipal officials shall not be required to accept and respond to communications from the commissioner electronically.~~

~~(c)~~] The governing board of any municipal corporation may, by local law, ordinance or resolution, determine that it is in the public interest for such municipal corporation to provide electronic real property tax administration. Upon adoption of such local law, ordinance or resolution, such municipal corporation shall comply with standards set forth by the commissioner.

[~~(d)~~] **(c)** The standards prescribed by the commissioner pursuant to this section **relating to communications with taxpayers** shall provide for the collection of electronic contact information, such as e-mail addresses and/or social network usernames, from taxpayers who have elected to receive electronic communications in accordance with the provisions of this section. Such information shall be exempt from public disclosure in accordance with section eighty-nine of the public officers law.

4. When a document has been transmitted electronically in accordance with the provisions of this section and the standards adopted by the commissioner hereunder, it shall be deemed to satisfy the applicable legal requirements to the same extent as if it had been mailed via the United States postal service.

5. (a) On and after January first, two thousand twenty, whenever the commissioner is obliged by law to mail a notice of the determination of a tentative state equalization rate, tentative special franchise assessment, tentative assessment ceiling or other tentative determination of the commissioner that is subject to administrative review, the commissioner shall be authorized to furnish the required notice by e-mail, or by causing it to be posted on the department's website, or both, at his or her discretion. When providing notice of a tentative determination by causing it to be posted on the department's website, the commissioner also shall e-mail the parties required by law to receive such notice, to inform them that the notice of tentative determination has been posted on the website. Such notice of tentative determination shall not be deemed complete unless such emails have been sent. Notwithstanding any provision of law to the contrary, the commissioner shall not be required to furnish such notices by postal mail, except as provided by paragraphs (d) and (e) of this subdivision.

(b) When providing notice of a tentative determination by e-mail or posting pursuant to this subdivision, the commissioner shall specify an e-mail address to which complaints regarding such tentative determination may be sent. A complaint that is sent to the commissioner by e-mail to the specified e-mail address by the date prescribed by law for the mailing of such complaints shall be deemed valid to the same extent as if it had been sent by postal mail.

(c) When a final determination is made in such a matter, notice of the final determination and any certificate relating thereto shall be furnished by e-mail or by a website posting, or both at the commissioner's discretion, and need not be provided by postal mail, except as provided by paragraphs (d) and (e) of this subdivision. When providing notice of a final determination by website posting, the commissioner also shall e-mail the parties required by law to receive such notice, to inform them that the notice of final determination has been posted on the website. Such notice of final determination shall not be deemed complete unless such emails have been sent.

(d) If an assessor has advised the commissioner in writing that he or she prefers to receive the notices described in this subdivision by postal mail, the commissioner shall thereafter send such notices to that assessor by postal mail, and need not send such notices to that assessor by e-mail. The commissioner shall prescribe a form that assessors may use to advise the commissioner of their preference for postal mail.

(e) If the commissioner learns that an e-mail address to which a notice has been sent pursuant to this subdivision is not valid, and the commissioner cannot find a valid e-mail address for that party, the commissioner shall resend the notice to the party by postal mail. If the commissioner does not have a valid e-mail address for the party at the time the notice is initially required to be sent, the commissioner shall send the notice to that party by postal mail.

(f) On or before November thirtieth, two thousand nineteen, the commissioner shall send a notice by postal mail to assessors, to chief executive officers of assessing units, and to owners of special franchise property and railroad property, informing them of the provisions of this section. The notice to be sent to assessors shall include a copy of the form prescribed pursuant to paragraph (d) of this subdivision.

(g) As used in this subdivision, the term "postal mail" shall mean mail that is physically delivered to the addressee by the United States postal service.

§ 2. This act shall take effect immediately.

SUBPART E

Section 1. Subdivision 4 of section 302 of the real property tax law, as amended by chapter 348 of the laws of 2007, is amended to read as follows:

4. The taxable status of a special franchise shall be determined on the basis of its value and its ownership as of the first day of [~~July~~] January of the year preceding the year in which the assessment roll on which such property is to be assessed is completed and filed in the office of the city or town clerk, except that taxable status of such properties shall be determined on the basis of ownership as of the first day of [~~July~~] January of the second year preceding the date required by law for the filing of the final assessment roll for purposes of all village assessment rolls.

§ 2. Subdivision 2 of section 606 of the real property tax law, as amended by chapter 743 of the laws of 2005 and as further amended by subdivision (b) of section 1 of part W of chapter 56 of the laws of 2010, is amended to read as follows:

2. In any assessing unit which has completed a revaluation since nineteen hundred fifty-three or which does not contain property that was assessed in nineteen hundred fifty-three, the commissioner shall determine the full value of such special franchise as of the [~~valuation date of the assessing unit~~] taxable status date specified by subdivision four of section three hundred two of this chapter. Such full value shall be determined by the commissioner for purposes of sections six hundred eight, six hundred fourteen and six hundred sixteen of this article. These full values shall be entered on the assessment roll at the level of assessment, which shall be the uniform percentage of value, as required by section five hundred two of this chapter, appearing on the tentative assessment roll upon which the assessment is entered. Whenever a final state equalization rate, or, in the case of a special assessing unit, a class equalization rate, is established that is different from a level of assessment applied pursuant to this paragraph, any public official having custody of that assessment roll is hereby authorized and directed to recompute these assessments to reflect that equalization rate, provided such final rate is established by the commissioner at least ten days prior to the date for levy of taxes against those assessments.

§ 3. This act shall take effect January 1, 2020.

SUBPART F

Section 1. The real property tax law is amended by adding a new section 575-a to read as follows:

§ 575-a. Electric generating facility annual reports. 1. Every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, owning, operating or managing any electric generating facility in the state shall annually file with the commissioner, by April thirtieth, a report showing the inventory, revenue, and expenses associated therewith for the most recent fiscal year. Such report shall be in the form and manner prescribed by the commissioner.

2. When used in this section, "electric generating facility" shall mean any facility that generates electricity for sale, directly or indirectly, to the public, including the land upon which the facility is located, any equipment used in such generation, and equipment leading from the facility to the interconnection with the electric transmission system, but shall not include:

(a) any equipment in the electric transmission system; and

(b) any electric generating equipment owned or operated by a residential customer of an electric generating facility, including the land upon which the equipment is located, when located and used at his or her residence.

3. Every electric generating facility owner, operator, or manager failing to make the report required by this section, or failing to make any report required by the commissioner pursuant to this section within the time specified by it, shall forfeit to the people of the state the sum of ten thousand dollars for every such failure and the additional sum of one thousand dollars for each day that such failure continues.

§ 2. This act shall take effect January 1, 2020.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or subpart of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or subpart thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Subparts A through F of this Part shall be as specifically set forth in the last section of such Subparts.

PART K

Section 1. Section 3-d of the general municipal law, as added by section 2 of part E of chapter 59 of the laws of 2018, is REPEALED.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 12, 2018.

PART L

Section 1. The tax law is amended by adding a new section 44 to read as follows:

§ 44. Employer-provided child care credit. (a) General. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of this chapter shall be allowed a credit against such tax in an amount equal to the portion of the credit that is allowed to the taxpayer under section 45F of the internal revenue code that is attributable to (i) qualified child care expenditures paid or incurred with respect to a qualified child care facility with a situs in the state, and to (ii) qualified child care resource and referral expenditures paid or incurred with respect to the taxpayer's employees working in the state. The credit allowable under this subdivision for any taxable year shall not exceed one hundred fifty thousand dollars. If the entity operating the qualified child care facility is a partnership or a New York S corporation, then such cap shall be applied at the entity level, so the aggregate credit allowed to all the partners or shareholders of such entity in a taxable year does not exceed one hundred fifty thousand dollars.

(b) Credit recapture. If there is a cessation of operation or change in ownership, as defined by section 45F of the internal revenue code relating to a qualified child care facility with a situs in the state, the taxpayer shall add back the applicable recapture percentage of the credit allowed under this section in accordance with the recapture provisions of section 45F of the internal revenue code, but the recapture amount shall be limited to the credit allowed under this section.

(c) Reporting requirements. A taxpayer that has claimed a credit under this section shall notify the commissioner of any cessation of operation, change in ownership, or agreement to assume recapture liability as such terms are defined by section 45F of the internal revenue code, in the form and manner prescribed by the commissioner.

(d) Definitions. The terms "qualified child care expenditures", "qualified child care facility", "qualified child care resource and referral expenditure", "cessation of operation", "change of ownership", and "applicable recapture percentage" shall have the same meanings as in section 45F of the internal revenue code.

(e) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 53;

(2) article 22: section 606(i), subsections (i) and (jjj);

(3) article 33: section 1511, subdivision (dd).

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 53 to read as follows:

53. Employer-provided child care credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-four of this chapter, against the tax imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for any taxable year may not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(c) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter.

§ 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xliv) to read as follows:

(xliv) Employer-provided child care credit (jjj)	Amount of credit under subdivision fifty-three of section two hundred ten-B

§ 4. Section 606 of the tax law is amended by adding a new subsection (jjj) to read as follows:

(jjj) Employer-provided child care credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-four of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for any taxable year exceeds the taxpayer's tax for such year, the excess will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

(3) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter.

§ 5. Section 1511 of the tax law is amended by adding a new subdivision (dd) to read as follows:

(dd) Employer-provided child care credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-four of this chapter, against the tax imposed by this article.

(2) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this

subdivision for any taxable year reduces the taxpayer's tax to such amount, any amount of credit thus not deductible will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(3) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter

§ 6. This act shall take effect immediately and apply to years beginning on or after January 1, 2020.

PART M

Section 1. Paragraph 1 of subsection (b) of section 631 of the tax law is amended by adding a new subparagraph (D-1) to read as follows:

(D-1) gambling winnings in excess of five thousand dollars from wagering transactions within the state; or

§ 2. Paragraph 2 of subsection (b) of section 671 of the tax law is amended by adding a new subparagraph (E) to read as follows:

(E) Any gambling winnings from a wagering transaction within this state, if the proceeds from the wager are subject to withholding under section three thousand four hundred two of the internal revenue code.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2019; provided, however that the amendments to subsection (b) of section 671 of the tax law made by section two of this act shall not affect the expiration of such subsection and shall be deemed to expire therewith.

PART N

Section 1. Subdivision (c) of section 42 of the tax law, as added by section 1 of part RR of chapter 60 of the laws of 2016, is amended to read as follows:

(c) For purposes of this [~~subdivision~~] section, the term "eligible farmer" means a taxpayer whose federal gross income from farming as defined in subsection (n) of section six hundred six of this chapter for the taxable year is at least two-thirds of excess federal gross income. Excess federal gross income means the amount of federal gross income from all sources for the taxable year in excess of thirty thousand dollars. For [~~the~~] purposes of this [~~subdivision~~] section, payments from the state's farmland protection program, administered by the department of agriculture and markets, shall be included as federal gross income from farming for otherwise eligible farmers.

§ 2. Section 42 of the tax law is amended by adding a new subdivision (d-1) to read as follows:

(d-1) Special rules. If more than fifty percent of such eligible farmer's federal gross income from farming is from the sale of wine from a licensed farm winery as provided for in article six of the alcoholic beverage control law, or from the sale of cider from a licensed farm cidery as provided for in section fifty-eight-c of the alcoholic beverage control law, then an eligible farm employee of such eligible farmer shall be included for purposes of calculating the amount of credit allowed under this section only if such eligible farm employee is employed by such eligible farmer on qualified agricultural property as

defined in paragraph four of subsection (n) of section six hundred six of this chapter.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2019.

PART O

Section 1. Section 12 of part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, as amended by section 1 of part M of chapter 60 of the laws of 2016, is amended to read as follows:

§ 12. This act shall take effect immediately; provided, however, that (i) section one of this act shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service at any time with respect to "listed transactions" as described in such paragraph 1, and shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service with respect to "reportable transactions" as described in such paragraph 1, other than "listed transactions", in which a taxpayer participated during any taxable year for which the statute of limitations for assessment has not expired as of the date this act shall take effect, and shall apply to returns or statements described in such paragraph 1 required to be filed by taxpayers (or persons as described in such paragraph) with the commissioner of taxation and finance on or after the sixtieth day after this act shall have become a law; and

(ii) sections two through four and seven through nine of this act shall apply to any tax liability for which the statute of limitations on assessment has not expired as of the date this act shall take effect; and

(iii) provided, further, that the provisions of this act, except section five of this act, shall expire and be deemed repealed July 1, [~~2019~~] **2024**; provided, that, such expiration and repeal shall not affect any requirement imposed pursuant to this act.

§ 2. Subsection (aa) of section 685 of the tax law is REPEALED and a new subsection (aa) is added to read as follows:

(aa) Tax preparer penalty.-- (1) If a tax return preparer takes a position on any income tax return or credit claim form that either understates the tax liability or increases the claim for a refund, and the preparer knew, or reasonably should have known, that said position was not proper, and such position was not adequately disclosed on the return or in a statement attached to the return, such income tax preparer shall pay a penalty of between one hundred and one thousand dollars.

(2) If a tax return preparer takes a position on any income tax return or credit claim form that either understates the tax liability or increases the claim for a refund and the understatement of the tax liability or the increased claim for refund is due to the preparer's reckless or intentional disregard of the law, rules or regulations, such preparer shall pay a penalty of between five hundred and five thousand dollars. The amount of the penalty payable by any person by reason of this paragraph shall be reduced by the amount of the penalty paid by such person by reason of paragraph one of this subsection.

(3) For purposes of this subsection, the term "understatement of tax liability" means any understatement of the net amount payable with respect to any tax imposed under this article or any overstatement of the net amount creditable or refundable with respect to any such tax.

(4) For purposes of this subsection, the term "tax return prepared" shall have the same meaning as defined in paragraph five of subsection (g) of section six hundred fifty-eight of this article.

(5) This subsection shall not apply if the penalty under subsection (r) of this section is imposed on the tax return preparer with respect to such understatement.

§ 3. Subsection (u) of section 685 of the tax law is amended by adding three new paragraphs (1), (2), and (6) to read as follows:

(1) Failure to sign return or claim for refund. If a tax return preparer who is required pursuant to paragraph one of subsection (g) of section six hundred fifty-eight of this article to sign a return or claim for refund fails to comply with such requirement with respect to such return or claim for refund, the tax return preparer shall be subject to a penalty of two hundred fifty dollars for each such failure to sign, unless it is shown that such failure is due to reasonable cause and not due to willful neglect. The maximum penalty imposed under this paragraph on any tax return preparer with respect to returns filed during any calendar year by the tax return preparer must not exceed ten thousand dollars. Provided, however, that if a tax return preparer has been penalized under this paragraph for a preceding calendar year and again fails to sign his or her name on any return that requires the tax return preparer's signature during a subsequent calendar year, then the penalty under this paragraph for each failure will be five hundred dollars, and no annual cap will apply. This paragraph shall not apply if the penalty under paragraph three of subsection (g) of section thirty-two of this chapter is imposed on the tax return preparer with respect to such return or claim for refund.

(2) Failure to furnish identifying number. If a tax return preparer fails to include any identifying number required to be included on any return or claim for refund pursuant to paragraph two of subsection (g) of section six hundred fifty-eight of this article, the tax return preparer shall be subject to a penalty of one hundred dollars for each such failure, unless it is shown that such failure is due to reasonable cause and not willful neglect. The maximum penalty imposed under this paragraph on any tax return preparer with respect to returns filed during any calendar year must not exceed two thousand five hundred dollars; provided, however, that if a tax return preparer has been penalized under this paragraph for a preceding calendar year and again fails to include the identifying number on one or more returns during a subsequent calendar year, then the penalty under this paragraph for each failure will be two hundred fifty dollars, and no annual cap will apply. This paragraph shall not apply if the penalty under paragraph four of subsection (g) of section thirty-two of this chapter is imposed on the tax return preparer with respect to such return or claim for refund.

(6) For purposes of this subsection, the term "tax return preparer" shall have the same meaning as defined in paragraph five of subsection (g) of section six hundred fifty-eight of this article.

§ 4. This act shall take effect immediately; provided, however, that the amendments to subsection (u) of section 685 of the tax law made by section three of this act shall apply to tax documents filed or required to be filed for taxable years beginning on or after January 1, 2019.

PART P

Section 1. Clauses (iii), (iv), (v), (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (a) of section 601 of the tax law, as added by section 1 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $43,000	$1,202 plus 5.9% of excess over $27,900
Over $43,000 but not over $161,550	$2,093 plus 6.09% of excess over $43,000
Over $161,550 but not over $323,200	$9,313 plus 6.41% of excess over $161,550
Over $323,200 **but not over $2,155,350**	$19,674 plus 6.85% of excess $323,200 over
Over $2,155,350	**$145,177 plus 8.82% of excess over $2,155,350**

(iv) For taxable years beginning in two thousand twenty-one the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $43,000	$1,202 plus 5.9% of excess over $27,900
Over $43,000 but not over $161,550	$2,093 plus 5.97% of excess over $43,000
Over $161,550 but not over $323,200	$9,170 plus 6.33% of excess over $161,550
Over $323,200 **but not over $2,155,350**	$19,403 plus 6.85% of excess over $323,200
Over $2,155,350	**$144,905 plus 8.82% of excess over $2,155,350**

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.85% of excess over $27,900
Over $161,550 but not over $323,200	$9,021 plus 6.25% of excess over $161,550
Over $323,200 **but not over $2,155,350**	$19,124 plus 6.85% of excess over $323,200

Over $2,155,350	**$144,626 plus 8.82% of excess over $2,155,350**

(vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.73% of excess over $27,900
Over $161,550 but not over $323,200	$8,860 plus 6.17% of excess over $161,550
Over $323,200 **but not over $2,155,350**	$18,834 plus 6.85% of excess over $323,200
Over $2,155,350	**$144,336 plus 8.82% of excess over $2,155,350**

(vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.61% of excess over $27,900
Over $161,550 but not over $323,200	$8,700 plus 6.09% of excess over $161,550
Over $323,200 **but not over $2,155,350**	$18,544 plus 6.85% of excess over $323,200
Over $2,155,350	**$144,047 plus 8.82% of excess over $2,155,350**

§ 2. Clauses (iii), (iv), (v), (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, as added by section 2 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $32,200	$901 plus 5.9% of excess over $20,900
Over $32,200 but not over $107,650	$1,568 plus 6.09% of excess over $32,200
Over $107,650 but not over $269,300	$6,162 plus 6.41% of excess over $107,650
Over $269,300 **but not over $1,616,450**	$16,524 plus 6.85% of excess over $269,300
Over $1,616,450	**$108,804 plus 8.82% of excess over $1,616,450**

(iv) For taxable years beginning in two thousand twenty-one the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $32,200	$901 plus 5.9% of excess over $20,900
Over $32,200 but not over $107,650	$1,568 plus 5.97% of excess over $32,200
Over $107,650 but not over $269,300	$6,072 plus 6.33% of excess over $107,650
Over $269,300 **but not over $1,616,450**	$16,304 plus 6.85% of excess over $269,300
Over $1,616,450	**$108,584 plus 8.82% of excess over $1,616,450**

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.85% of excess over $20,900
Over $107,650 but not over $269,300	$5,976 plus 6.25% of excess over $107,650
Over $269,300 **but not over $1,616,450**	$16,079 plus 6.85% of excess over $269,300
Over $1,616,450	**$108,359 plus 8.82% of excess over $1,616,450**

(vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.73% of excess over $20,900
Over $107,650 but not over $269,300	$5,872 plus 6.17% of excess over $107,650
Over $269,300 **but not over $1,616,450**	$15,845 plus 6.85% of excess over $269,300
Over $1,616,450	**$108,125 plus 8.82% of excess over $1,616,450**

(vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over

	$17,650
Over $20,900 but not over $107,650	$901 plus 5.61% of excess over $20,900
Over $107,650 but not over $269,300	$5,768 plus 6.09% of excess over $107,650
Over $269,300 **but not over $1,616,450**	$15,612 plus 6.85% of excess over $269,300
Over $1,616,450	**$107,892 plus 8.82% of excess over $1,616,450**

§ 3. Clauses (iii), (iv), (v), (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, as added by section 3 of part R of chapter 59 of the laws of 2017, is amended to read as follows:

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $21,400	$600 plus 5.9% of excess over $13,900
Over $21,400 but not over $80,650	$1,042 plus 6.09% of excess over $21,400
Over $80,650 but not over $215,400	$4,650 plus 6.41% of excess over $80,650
Over $215,400 **but not over $1,077,550**	$13,288 plus 6.85% of excess over $215,400
Over $1,077,550	**$72,345 plus 8.82% of excess over $1,077,550**

(iv) For taxable years beginning in two thousand twenty-one the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $21,400	$600 plus 5.9% of excess over $13,900
Over $21,400 but not over $80,650	$1,042 plus 5.97% of excess over $21,400
Over $80,650 but not over $215,400	$4,579 plus 6.33% of excess over $80,650
Over $215,400 **but not over $1,077,550**	$13,109 plus 6.85% of excess over $215,400
Over $1,077,550	**$72,166 plus 8.82% of excess over $1,077,550**

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over

	$11,700
Over $13,900 but not over $80,650	$600 plus 5.85% of excess over $13,900
Over $80,650 but not over $215,400	$4,504 plus 6.25% of excess over $80,650
Over $215,400 **but not over $1,077,550**	$12,926 plus 6.85% of excess over $215,400
Over $1,077,550	**$71,984 plus 8.82% of excess over $1,077,550**

(vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.73% of excess over $13,900
Over $80,650 but not over $215,400	$4,424 plus 6.17% of excess over $80,650
Over $215,400 **but not over $1,077,550**	$12,738 plus 6.85% of excess over $215,400
Over $1,077,550	**$71,796 plus 8.82% of excess over $1,077,550**

(vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.61% of excess over $13,900
Over $80,650 but not over $215,400	$4,344 plus 6.09% of excess over $80,650
Over $215,400 **but not over $1,077,550**	$12,550 plus 6.85% of excess over $215,400
Over $1,077,550	**$71,608 plus 8.82% of excess over $1,077,550**

§ 4. Subparagraph (D) of paragraph 1 of subsection (d-1) of section 601 of the tax law, as amended by section 4 of part R of chapter 59 of the laws of 2017, is amended to read as follows:

(D) The tax table benefit is the difference between (i) the amount of taxable income set forth in the tax table in paragraph one of subsection (a) of this section not subject to the 8.82 percent rate of tax for the taxable year multiplied by such rate and (ii) the dollar denominated tax for such amount of taxable income set forth in the tax table applicable to the taxable year in paragraph one of subsection (a) of this section less the sum of the tax table benefits in subparagraphs (A), (B) and (C) of this paragraph. The fraction for this subparagraph is computed as follows: the numerator is the lesser of fifty thousand dollars or the excess of New York adjusted gross income for the taxable year over two million dollars and the denominator is fifty thousand dollars. This subparagraph shall apply only to taxable years beginning on or after

January first, two thousand twelve and before January first, two thousand [~~twenty~~] twenty-five.

§ 5. Subparagraph (C) of paragraph 2 of subsection (d-1) of section 601 of the tax law, as amended by section 5 of part R of chapter 59 of the laws of 2017, is amended to read as follows:

(C) The tax table benefit is the difference between (i) the amount of taxable income set forth in the tax table in paragraph one of subsection (b) of this section not subject to the 8.82 percent rate of tax for the taxable year multiplied by such rate and (ii) the dollar denominated tax for such amount of taxable income set forth in the tax table applicable to the taxable year in paragraph one of subsection (b) of this section less the sum of the tax table benefits in subparagraphs (A) and (B) of this paragraph. The fraction for this subparagraph is computed as follows: the numerator is the lesser of fifty thousand dollars or the excess of New York adjusted gross income for the taxable year over one million five hundred thousand dollars and the denominator is fifty thousand dollars. This subparagraph shall apply only to taxable years beginning on or after January first, two thousand twelve and before January first, two thousand [~~twenty~~] twenty-five.

§ 6. Subparagraph (C) of paragraph 3 of subsection (d-1) of section 601 of the tax law, as amended by section 6 of part R of chapter 59 of the laws of 2017, is amended to read as follows:

(C) The tax table benefit is the difference between (i) the amount of taxable income set forth in the tax table in paragraph one of subsection (c) of this section not subject to the 8.82 percent rate of tax for the taxable year multiplied by such rate and (ii) the dollar denominated tax for such amount of taxable income set forth in the tax table applicable to the taxable year in paragraph one of subsection (c) of this section less the sum of the tax table benefits in subparagraphs (A) and (B) of this paragraph. The fraction for this subparagraph is computed as follows: the numerator is the lesser of fifty thousand dollars or the excess of New York adjusted gross income for the taxable year over one million dollars and the denominator is fifty thousand dollars. This subparagraph shall apply only to taxable years beginning on or after January first, two thousand twelve and before January first, two thousand [~~twenty~~] twenty-five.

§ 7. This act shall take effect immediately.

PART Q

Section 1. Subsection (g) of section 615 of the tax law, as amended by section 1 of part S of chapter 59 of the laws of 2017, is amended to read as follows:

(g) Notwithstanding subsection (a) of this section, the New York itemized deduction for charitable contributions shall be the amount allowed under section one hundred seventy of the internal revenue code, as modified by paragraph nine of subsection (c) of this section and as limited by this subsection. (1) With respect to an individual whose New York adjusted gross income is over one million dollars and no more than ten million dollars, the New York itemized deduction shall be an amount equal to fifty percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and before two thousand [~~twenty~~] twenty-five. With respect to an individual whose New York adjusted gross income is over one million dollars, the New York itemized deduction shall be an amount equal to fifty percent of any charitable

contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning in two thousand nine or after two thousand [~~nineteen~~] twenty-four.

(2) With respect to an individual whose New York adjusted gross income is over ten million dollars, the New York itemized deduction shall be an amount equal to twenty-five percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and ending before two thousand [~~twenty~~] twenty-five.

§ 2. Subdivision (g) of section 11-1715 of the administrative code of the city of New York, as amended by section 2 of part S of chapter 59 of the laws of 2017, is amended to read as follows:

(g) Notwithstanding subdivision (a) of this section, the city itemized deduction for charitable contributions shall be the amount allowed under section one hundred seventy of the internal revenue code, as limited by this subdivision. (1) With respect to an individual whose New York adjusted gross income is over one million dollars but no more than ten million dollars, the New York itemized deduction shall be an amount equal to fifty percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and before two thousand [~~twenty~~] twenty-five. With respect to an individual whose New York adjusted gross income is over one million dollars, the New York itemized deduction shall be an amount equal to fifty percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning in two thousand nine or after two thousand [~~nineteen~~] twenty-four.

(2) With respect to an individual whose New York adjusted gross income is over ten million dollars, the New York itemized deduction shall be an amount equal to twenty-five percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and ending before two thousand [~~twenty~~] twenty-five.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2018.

PART R

Section 1. Paragraph (a) of subdivision 25 of section 210-B of the tax law, as amended by chapter 315 of the laws of 2017, is amended to read as follows:

(a) General. A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall be allowed for bioheating fuel, used for space heating or hot water production for residential purposes within this state purchased before January first, two thousand [~~twenty~~] twenty-three. Such credit shall be $0.01 per percent of biodiesel per gallon of bioheating fuel, not to exceed twenty cents per gallon, purchased by such taxpayer. Provided, however, that on or after January first, two thousand seventeen, this credit shall not apply to bioheating fuel that is less than six percent biodiesel per gallon of bioheating fuel.

§ 2. Paragraph 1 of subdivision (mm) of section 606 of the tax law, as amended by chapter 315 of the laws of 2017, is amended to read as follows:

(1) A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall

be allowed for bioheating fuel, used for space heating or hot water production for residential purposes within this state and purchased on or after July first, two thousand six and before July first, two thousand seven and on or after January first, two thousand eight and before January first, two thousand [~~twenty~~] twenty-three. Such credit shall be $0.01 per percent of biodiesel per gallon of bioheating fuel, not to exceed twenty cents per gallon, purchased by such taxpayer. Provided, however, that on or after January first, two thousand seventeen, this credit shall not apply to bioheating fuel that is less than six percent biodiesel per gallon of bioheating fuel.

§ 3. This act shall take effect immediately.

PART S

Section 1. Section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, as amended by section 5 of part G of chapter 60 of the laws of 2016, is amended to read as follows:

§ 23. This act shall take effect immediately; provided, however, that:

(a) the amendments to section 29 of the tax law made by section thirteen of this act shall apply to tax documents filed or required to be filed on or after the sixtieth day after which this act shall have become a law and shall expire and be deemed repealed December 31, [~~2019~~] 2022, provided however that the amendments to paragraph 4 of subdivision (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of section 29 of the tax law made by section thirteen of this act with regard to individual taxpayers shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission of the date of the issuance of such report in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law;

(b) sections fourteen, fifteen, sixteen and seventeen of this act shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent;

(c) sections fourteen-a and fifteen-a of this act shall take effect September 15, 2011 and expire and be deemed repealed December 31, 2012 but shall take effect only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is eighty-five percent or greater;

(d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this act shall take effect January 1, [~~2020~~] 2023 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; and

(e) sections twenty-one and twenty-one-a of this act shall expire and be deemed repealed December 31, [~~2010~~] 2022.

§ 2. This act shall take effect immediately.

PART T

Section 1. Subdivision 3 of section 77 of the cooperative corporations law, as amended by chapter 429 of the laws of 1992, is amended to read as follows:

3. Such annual fee shall be paid for each calendar year on the fifteenth day of March next succeeding the close of such calendar year **but shall not be payable after January first, two thousand twenty; provided, however, that cooperative corporations described in subdivisions one or two of this section shall continue to not be subject to the franchise, license, and corporation taxes referenced in such subdivisions or, in the case of cooperative cooperations described in subdivision two of this section, the tax imposed under section one-hundred eighty-six-a of the tax law.**

§ 2. Section 66 of the rural electric cooperative law, as amended by chapter 888 of the laws of 1983, is amended to read as follows:

§ 66. License fee in lieu of all franchise, excise, income, corporation and sales and compensating use taxes. Each cooperative and foreign corporation doing business in this state pursuant to this chapter shall pay annually, on or before the first day of July, to the state tax commission, a fee of ten dollars, but shall be exempt from all other franchise, excise, income, corporation and sales and compensating use taxes whatsoever. The exemption from the sales and compensating use taxes provided by this section shall not apply to the taxes imposed pursuant to section eleven hundred seven or eleven hundred eight of the tax law. Nothing contained in this section shall be deemed to exempt such corporations from collecting and paying over sales and compensating use taxes on retail sales of tangible personal property and services made by such corporations to purchasers required to pay such taxes imposed pursuant to article twenty-eight or authorized pursuant to the authority of article twenty-nine of the tax law. **Such annual fee shall not be payable after January first, two thousand twenty.**

§ 3. This act shall take effect immediately.

PART U

Section 1. Paragraph (a) of subdivision 26 of section 210-B of the tax law, as amended by section 2 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(a) Application of credit. (i) For taxable years beginning on or after January first, two thousand ten, and before January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer for the same taxable year with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47, with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars. **Provided further that in the case of a qualified rehabilitation project undertaken by an entity other than a minority or women-owned business enterprise, certified pursuant to**

section three hundred fourteen of the executive law, within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation that is located in whole or in part within a census tract which is identified as being above one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau, the credit with respect to such project shall not exceed three million dollars.

(ii) (A) For taxable years beginning on or after January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer for the same taxable year determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of section 47 of the internal revenue code, with respect to a certified historic structure under subsection (c)(3) of section 47 of the internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars.

(B) If the taxpayer is a partner in a partnership or a shareholder in a New York S corporation, then the credit caps imposed in subparagraph (A) of this paragraph shall be applied at the entity level, so that the aggregate credit allowed to all the partners or shareholders of each such entity in the taxable year does not exceed the credit cap that is applicable in that taxable year.

§ 2. Paragraph (e) of subdivision 26 of section 210-B of the tax law, as amended by section 2 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(e) [~~To~~] Except in the case of a qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, to be eligible for the credit allowable under this subdivision, the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subdivision for an additional two calendar years.

§ 3. Subparagraph (A) of paragraph 1 of subsection (oo) of section 606 of the tax law, as amended by section 1 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47, with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars. Provided

further that in the case of a qualified rehabilitation project undertaken by an entity other than a minority or women-owned business enterprise, certified pursuant to section three hundred fourteen of the executive law, within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation that is located in whole or in part within a census tract which is identified as being above one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau, the credit with respect to such project shall not exceed three million dollars. For taxable years beginning on or after January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47, with respect to a certified historic structure located within the state; provided, however, the credit shall not exceed one hundred thousand dollars.

§ 4. Paragraph 5 of subsection (oo) of section 606 of the tax law, as amended by section 1 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(5) [~~To~~] **Except in the case of a qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, to** be eligible for the credit allowable under this subsection the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subsection for an additional two calendar years.

§ 5. Subparagraph (A) of paragraph 1 of subdivision (y) of section 1511 of the tax law, as amended by section 3 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47, with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars. **Provided further that in the case of a qualified rehabilitation project undertaken by an entity other than a minority or women-owned business enterprise, certified pursuant to section three hundred fourteen of the executive law, within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks,**

recreation and historic preservation that is located in whole or in part within a census tract which is identified as being above one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau, the credit with respect to such project shall not exceed three million dollars. For taxable years beginning on or after January first, two thousand twenty-five, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47 with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars.

§ 6. Paragraph 5 of subdivision (y) of section 1511 of the tax law, as amended by section 3 of part RR of chapter 59 of the laws of 2018, is amended to read as follows:

(5) [~~To~~] **Except in the case of a qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, to** be eligible for the credit allowable under this subdivision, the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subdivision for an additional two calendar years.

§ 7. This act shall take effect immediately and apply to taxable years beginning on and after January 1, 2020.

PART V

Section 1. Subdivision (jj) of section 1115 of the tax law, as added by section 1 of part UU of chapter 59 of the laws of 2015, is amended to read as follows:

(jj) Tangible personal property or services otherwise taxable under this article sold to a related person shall not be subject to the taxes imposed by section eleven hundred five of this article or the compensating use tax imposed under section eleven hundred ten of this article where the purchaser can show that the following conditions have been met to the extent they are applicable: (1)(i) the vendor and the purchaser are referenced as either a "covered company" as described in section 243.2(f) or a "material entity" as described in section 243.2(l) of the Code of Federal Regulations in a resolution plan that has been submitted to an agency of the United States for the purpose of satisfying subparagraph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") or any successor law, or (ii) the vendor and the purchaser are separate legal entities pursuant to a divestiture directed pursuant to subparagraph 5 of paragraph (d) of section one hundred sixty-five of such act or any

successor law; (2) the sale would not have occurred between such related entities were it not for such resolution plan or divestiture; and (3) in acquiring such property or services, the vendor did not claim an exemption from the tax imposed by this state or another state based on the vendor's intent to resell such services or property. A person is related to another person for purposes of this subdivision if the person bears a relationship to such person described in section two hundred sixty-seven of the internal revenue code. The exemption provided by this subdivision shall not apply to sales made, services rendered, or uses occurring after June thirtieth, two thousand [~~nineteen~~] twenty-one, except with respect to sales made, services rendered, or uses occurring pursuant to binding contracts entered into on or before such date; but in no case shall such exemption apply after June thirtieth, two thousand twenty-four.

§ 2. This act shall take effect immediately.

PART W

Section 1. The mental hygiene law is amended by adding a new section 32.38 to read as follows:

§ 32.38 Power to administer the recovery tax credit program.

(a) Authorization. The commissioner is authorized to establish and administer the recovery tax credit program to provide tax incentives to certified employers for employing eligible individuals in recovery from a substance use disorder in part-time and full-time positions in the state. The commissioner is authorized to allocate up to two million dollars of tax credits annually for the recovery tax credit program beginning in the year two thousand twenty.

(b) Definitions. 1. The term "certified employer" means an employer that has received a certificate of tax credit from the commissioner after the commissioner has determined that the employer:

(i) provides a recovery supportive environment evidenced by a formal working relationship with a local recovery community organization to provide support for employers including any necessary assistance in the hiring process of eligible individuals in recovery from a substance use disorder and training for employers or supervisors; and

(ii) fulfills the eligibility criteria set forth in this section and by the commissioner to participate in the recovery tax credit program established in this section.

2. The term "eligible individual" means an individual with a substance use disorder as that term is defined in section 1.03 of this chapter who is in a state of wellness where there is an abatement of signs and symptoms that characterize active addiction and has demonstrated to the qualified employer's satisfaction that he or she has completed a course of treatment for such substance use disorder.

(c) Application and approval process. 1. To participate in the program established by this section, an employer must, in a form prescribed by the commissioner, apply annually to the office by January fifteenth to claim credit based on eligible individuals employed during the preceding calendar year. As part of such application, an employer must:

(i) Agree to allow the department of taxation and finance to share its tax information with the office of alcoholism and substance abuse services. However, any information shared because of this agreement shall not be available for disclosure or inspection under the state freedom of information law.

(ii) Allow the office of alcoholism and substance abuse services and its agents access to all books and records the department may require to monitor compliance with program eligibility requirements.

(iii) Demonstrate that the employer has satisfied program eligibility requirements and provided all the information necessary, including the number of hours worked by any eligible individual, for the commissioner to compute an actual amount of credit allowed.

2. (i) After reviewing the application and finding it sufficient, the commissioner shall issue a certificate of tax credit by March thirty-first. Such certificate shall include, but not be limited to, the name and employer identification number of the certified employer, the amount of credit that the certified employer may claim, and any other information the commissioner of taxation and finance determines is necessary.

(ii) In determining the amount of credit that any employer may claim, the commissioner shall review all claims submitted for credit by employers and, to the extent that the total amount claimed by employers exceeds the amount allocated for the program in that calendar year, shall issue credits on a pro-rata basis corresponding to each claimant's share of the total claimed amount.

(d) Eligibility. A certified employer shall be entitled to a tax credit equal to the product of one dollar and the number of hours worked by each eligible individual during such individual's period of eligibility. The credit shall not be allowed unless the eligible individual has worked in state for a minimum of five hundred hours for the certified employer, and the credit cannot exceed two thousand dollars per eligible individual employed by the certified employer in the state. The period of eligibility for each such employee starts on the day the employee is hired and ends on December thirty-first of the immediately succeeding calendar year or the last day of the employee's employment by the certified employer, whichever comes first. If an employee has worked in excess of five hundred hours between the date of hiring and December thirty-first of that year, an employer can elect to compute and claim a credit for such employee in that year based on the hours worked by December thirty-first. Alternatively, the employer may elect to include such individual in the computation of the credit in the year immediately succeeding the year in which the employee was hired. In such case, the credit shall be computed on the basis of all hours worked by such eligible individual from the date of hire to the earlier of the last day of employment or December thirty-first of the succeeding year. However, in no event may an employee generate credit for hours worked in excess of two thousand hours. An employer may claim credit only once with respect to any eligible individual and may not aggregate hours of two or more employees to reach the minimum number of hours.

(e) Duties of the commissioner. The commissioner shall annually provide to the commissioner of the department of taxation and finance information about the program including, but not limited to, the number of certified employers then participating in the program, unique identifying information for each certified employer, the number of eligible individuals employed by each certified employer, unique identifying information for each eligible individual employed by the certified employers, the number of hours worked by such eligible individuals, the total dollar amount of claims for credit, and the dollar amount of credit granted to each certified employer.

(f) Certified employer's taxable year. If the certified employer's taxable year is a calendar year, the employer shall be entitled to claim the credit as shown on the certificate of tax credit on the calendar

year return for which the certificate of tax credit was issued. If the certified employer's taxable year is a fiscal year, the employer shall be entitled to claim the credit as shown on the certificate of tax credit on the return for the fiscal year that includes the last day of the calendar year covered by the certificate of tax credit.

(g) Cross references. For application of the credit provided for in this section, see the following provisions of the tax law:

1. Article 9-A: Section 210-B, subdivision 53.

2. Article 22: Section 606, subsection (jjj).

3. Article 33: Section 1511, subdivision (dd).

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 53 to read as follows:

53. Recovery tax credit. (a) Allowance of credit. A taxpayer that is a certified employer pursuant to section 32.38 of the mental hygiene law that has received a certificate of tax credit from the commissioner of the office of alcoholism and substance abuse services shall be allowed a credit against the tax imposed by this article equal to the amount shown on such certificate of tax credit. A taxpayer that is a partner in a partnership or member of a limited liability company that has been certified by the commissioner of the office of alcoholism and substance abuse services as a qualified employer pursuant to section 32.38 of the mental hygiene law shall be allowed its pro rata share of the credit earned by the partnership or limited liability company.

(b) Application of credit. The credit allowed under this subdivision for any taxable year may not reduce the tax due for that year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to that amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit not deductible in that taxable year will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, no interest will be paid thereon.

(c) Tax return requirement. The taxpayer shall be required to attach to its tax return, in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the commissioner of the office of alcoholism and substance abuse services pursuant to section 32.38 of the mental hygiene law.

§ 3. Subparagraph (B) of paragraph 1 of subdivision (i) of section 606 of the tax law is amended by adding a new clause (xliv) to read as follows:

(xliv) Recovery tax credit under subsection (jjj)	Amount of credit under subdivision fifty-three of section two hundred ten-B

§ 4. Section 606 of the tax law is amended by adding a new subsection (jjj) to read as follows:

(jjj) Recovery tax credit. (1) Allowance of credit. A taxpayer that is a qualified employer pursuant to section 32.38 of the mental hygiene law that has received a certificate of tax credit from the commissioner of the office of alcoholism and substance abuse services shall be allowed a credit against the tax imposed by this article equal to the amount shown on such certificate of tax credit. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in an

S corporation that has been certified by the commissioner of the office of alcoholism and substance abuse services as a qualified employer pursuant to section 32.38 of the mental hygiene law shall be allowed its pro rata share of the credit earned by the partnership, limited liability company or S corporation.

(2) Overpayment. If the amount of the credit allowed under this subsection for any taxable year exceeds the taxpayer's tax for the taxable year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, no interest will be paid thereon.

(3) Tax return requirement. The taxpayer shall be required to attach to its tax return, in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the commissioner of the office of alcoholism and substance abuse services pursuant to section 32.38 of the mental hygiene law.

§ 5. Section 1511 of the tax law is amended by adding a new subdivision (dd) to read as follows:

(dd) Recovery tax credit. (1) Allowance of credit. A taxpayer that is a qualified employer pursuant to section 32.38 of the mental hygiene law that has received a certificate of tax credit from the commissioner of the office of alcoholism and substance abuse services shall be allowed a credit against the tax imposed by this article equal to the amount shown on such certificate of tax credit. A taxpayer that is a partner in a partnership or member of a limited liability company that has been certified by the commissioner of the office of alcoholism and substance abuse services as a qualified employer pursuant to section 32.38 of the mental hygiene law shall be allowed its pro rata share of the credit earned by the partnership or limited liability company.

(2) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the minimum tax fixed by paragraph four of subdivision (a) of section fifteen hundred two of this article or by section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of credit allowed under this subdivision for any taxable year reduces the tax to such amount, then any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(3) Tax return requirement. The taxpayer shall be required to attach to its tax return in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the commissioner of the office of alcoholism and substance abuse services pursuant to section 32.38 of the mental hygiene law.

§ 6. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2020 and shall apply to those eligible individuals hired after this act shall take effect.

PART X

Section 1. Paragraph (a) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 20 to read as follows:

(20) Any amount excepted, for purposes of subsection (a) of section one hundred eighteen of the internal revenue code, from the term

"contribution to the capital of the taxpayer" by paragraph two of subsection (b) of section one hundred eighteen of the internal revenue code.

§ 2. Paragraph 1 of subdivision (b) of section 1503 of the tax law is amended by adding a new subparagraph (T) to read as follows:

(T) Any amount excepted, for purposes of subsection (a) of section one hundred eighteen of the internal revenue code, from the term "contribution to the capital of the taxpayer" by paragraph two of subsection (b) of section one hundred eighteen of the internal revenue code.

§ 3. Paragraph (a) of subdivision 8 of section 11-602 of the administrative code of the city of New York is amended by adding a new subparagraph 14 to read as follows:

(14) any amount excepted, for purposes of subsection (a) of section one hundred eighteen of the internal revenue code, from the term "contribution to the capital of the taxpayer" by paragraph two of subsection (b) of section one hundred eighteen of the internal revenue code.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2018.

PART Y

Intentionally Omitted

PART Z

Section 1. Paragraph 3 of subdivision (a) and paragraphs 2 and 5 of subdivision (c) of section 43 of the tax law, as added by section 7 of part K of chapter 59 of the laws of 2017, are amended to read as follows:

(3) The total amount of credit allowable to a qualified life sciences company, or, if the life sciences company is properly included or required to be included in a combined report, to the combined group, taken in the aggregate, shall not exceed five hundred thousand dollars in any taxable year. If the [~~life sciences company~~] taxpayer is a partner in a partnership that is a life sciences company or a shareholder of a New York S corporation that is a life sciences company, then the total amount of credit allowable shall be applied at the entity level, so that the total amount of credit allowable to all the partners or shareholders of each such entity, taken in the aggregate, does not exceed five hundred thousand dollars in any taxable year.

(2) "New business" means any business that qualifies as a new business under either paragraph (f) of subdivision one of section two hundred ten-B or paragraph ten of subsection [~~one~~] (a) of section six hundred six of this chapter.

(5) "Related person" means a related person as defined in subparagraph [~~(c)~~] (C) of paragraph three of subsection (b) of section 465 of the internal revenue code. For this purpose, a "related person" shall include an entity that would have qualified as a "related person" if it had not been dissolved, liquidated, merged with another entity or otherwise ceased to exist or operate.

§ 2. Subdivision 5 of section 209 of the tax law, as amended by section 5 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

5. For any taxable year of a real estate investment trust as defined in section eight hundred fifty-six of the internal revenue code in which

such trust is subject to federal income taxation under section eight hundred fifty-seven of such code, such trust shall be subject to a tax computed under either paragraph (a) or (d) of subdivision one of section two hundred ten of this chapter, whichever is greater, and shall not be subject to any tax under article thirty-three of this chapter except for a captive REIT required to file a combined return under subdivision (f) of section fifteen hundred fifteen of this chapter. In the case of such a real estate investment trust, including a captive REIT as defined in section two of this chapter, the term "entire net income" means "real estate investment trust taxable income" as defined in paragraph two of subdivision (b) of section eight hundred fifty-seven (as modified by section eight hundred fifty-eight) of the internal revenue code [~~plus the amount taxable under paragraph three of subdivision (b) of section eight hundred fifty-seven of such code~~], subject to the modifications required by subdivision nine of section two hundred eight of this article.

§ 3. Paragraph (a) of subdivision 8 of section 211 of the tax law, as amended by chapter 760 of the laws of 1992, is amended to read as follows:

(a) Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for any tax commissioner, any officer or employee of the department [~~of taxation and finance~~], or any person who, pursuant to this section, is permitted to inspect any report, or to whom any information contained in any report is furnished, or any person engaged or retained by such department on an independent contract basis, or any person who in any manner may acquire knowledge of the contents of a report filed pursuant to this article, to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report under this article. The officers charged with the custody of such reports shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the state or the commissioner in an action or proceeding under the provisions of this chapter or in any other action or proceeding involving the collection of a tax due under this chapter to which the state or the commissioner is a party or a claimant, or on behalf of any party to any action or proceeding under the provisions of this article when the reports or facts shown thereby are directly involved in such action or proceeding, in any of which events the court may require the production of, and may admit in evidence, so much of said reports or of the facts shown thereby as are pertinent to the action or proceeding, and no more. The commissioner may, nevertheless, publish a copy or a summary of any determination or decision rendered after the formal hearing provided for in section one thousand eighty-nine of this chapter. Nothing herein shall be construed to prohibit the delivery to a corporation or its duly authorized representative of a copy of any report filed by it, nor to prohibit the publication of statistics so classified as to prevent the identification of particular reports and the items thereof; or the publication of delinquent lists showing the names of taxpayers who have failed to pay their taxes at the time and in the manner provided by section two hundred thirteen of this chapter together with any relevant information which in the opinion of the commissioner may assist in the collection of such delinquent taxes; or the inspection by the attorney general or other legal representatives of the state of the report of any corporation which shall bring action to set aside or review the tax based thereon, or against which an action or proceeding under this chapter has

been recommended by the commissioner of taxation and finance or the attorney general or has been instituted; or the inspection of the reports of any corporation by the comptroller or duly designated officer or employee of the state department of audit and control, for purposes of the audit of a refund of any tax paid by such corporation under this article[~~; and nothing in this chapter shall be construed to prohibit the publication of the issuer's allocation percentage of any corporation, as such term "issuer's allocation percentage" is defined in subparagraph one of paragraph (b) of subdivision three of section two hundred ten of this article~~].

§ 4. Subdivision (a) of section 213-b of the tax law, as amended by section 10 of part Q of chapter 60 of the laws of 2016, is amended to read as follows:

(a) First installments for certain taxpayers.--In privilege periods of twelve months ending at any time during the calendar year nineteen hundred seventy and thereafter, every taxpayer subject to the tax imposed by section two hundred nine of this chapter must pay with the report required to be filed for the preceding privilege period, or with an application for extension of the time for filing the report, for taxable years beginning before January first, two thousand sixteen, and must pay on or before the fifteenth day of the third month of such privilege periods, for taxable years beginning on or after January first, two thousand sixteen, an amount equal to (i) twenty-five percent of the second preceding year's tax if the second preceding year's tax exceeded one thousand dollars but was equal to or less than one hundred thousand dollars, or (ii) forty percent of the second preceding year's tax if the second preceding year's tax exceeded one hundred thousand dollars. If the second preceding year's tax under section two hundred nine of this chapter exceeded one thousand dollars and the taxpayer is subject to the tax surcharge imposed by section two hundred nine-B of this chapter, the taxpayer must also pay with the tax surcharge report required to be filed for the second preceding privilege period, or with an application for extension of the time for filing the report, for taxable years beginning before January first, two thousand sixteen, and must pay on or before the fifteenth day of the third month of such privilege periods, for taxable years beginning on or after January first, two thousand sixteen, an amount equal to (i) twenty-five percent of the tax surcharge imposed for the second preceding year if the second preceding year's tax was equal to or less than one hundred thousand dollars, or (ii) forty percent of the tax surcharge imposed for the second preceding year if the second preceding year's tax exceeded one hundred thousand dollars. Provided, however, that every taxpayer that is [~~an~~] a New York S corporation must pay with the report required to be filed for the preceding privilege period, or with an application for extension of the time for filing the report, an amount equal to (i) twenty-five percent of the preceding year's tax if the preceding year's tax exceeded one thousand dollars but was equal to or less than one hundred thousand dollars, or (ii) forty percent of the preceding year's tax if the preceding year's tax exceeded one hundred thousand dollars. [~~If the preceding year's tax under section two hundred nine of this article exceeded one thousand dollars and such taxpayer that is an S corporation is subject to the tax surcharge imposed by section two hundred nine-B of this article, the taxpayer must also pay with the tax surcharge report required to be filed for the preceding privilege period, or with an application for extension of the time for filing the report, an amount equal to (i) twenty-five percent of the tax surcharge imposed for the preceding year~~

~~if the preceding year's tax was equal equal to or less than one hundred thousand dollars, or (ii) forty percent of the tax surcharge imposed for the preceding year if the preceding year's tax exceeded one hundred thousand dollars.~~]

§ 5. Subdivision (e) of section 213-b of the tax law, as amended by chapter 166 of the laws of 1991, the subdivision heading as amended by section 10-b of part Q of chapter 60 of the laws of 2016, is amended to read as follows:

(e) Interest on certain installments based on the second preceding year's tax.--Notwithstanding the provisions of section one thousand eighty-eight of this chapter or of section sixteen of the state finance law, if an amount paid pursuant to subdivision (a) exceeds the tax or tax surcharge, respectively, shown on the report required to be filed by the taxpayer for the privilege period during which the amount was paid, interest shall be allowed and paid on the amount by which the amount so paid pursuant to such subdivision exceeds such tax or tax surcharge. In the case of amounts so paid pursuant to subdivision (a), such interest shall be allowed and paid at the overpayment rate set by the commissioner of taxation and finance pursuant to section one thousand ninety-six of this chapter, or if no rate is set, at the rate of six per centum per annum from the date of payment of the amount so paid pursuant to such subdivision to the fifteenth day of the [~~third~~] **fourth** month following the close of the taxable year, provided, however, that no interest shall be allowed or paid under this subdivision if the amount thereof is less than one dollar or if such interest becomes payable solely because of a carryback of a net operating loss in a subsequent privilege period.

§ 6. Subdivision (a) of section 1503 of the tax law, as amended by chapter 817 of the laws of 1987, is amended to read as follows:

(a) The entire net income of a taxpayer shall be its total net income from all sources which shall be presumably the same as the life insurance company taxable income (which shall include, in the case of a stock life insurance company [~~which~~] **that** has **a balance, as determined as of the close of such company's last taxable year beginning before January first, two thousand eighteen, in** an existing policyholders surplus account, **as such term is defined in section 815 of the internal revenue code as such section was in effect for taxable years beginning before January first, two thousand eighteen,** the amount of [~~direct and indirect distributions during the taxable year to shareholders from such account~~] **one-eighth of such balance**), taxable income of a partnership or taxable income, but not alternative minimum taxable income, as the case may be, which the taxpayer is required to report to the United States treasury department, for the taxable year or, in the case of a corporation exempt from federal income tax (other than the tax on unrelated business taxable income imposed under section 511 of the internal revenue code) but not exempt from tax under section fifteen hundred one, the taxable income which such taxpayer would have been required to report but for such exemption, except as hereinafter provided.

§ 7. Paragraphs (a) and (b) of subdivision 4 of section 11-676 of the administrative code of the city of New York are amended to read as follows:

(a) The tax shown on the return of the taxpayer for the preceding taxable year **or the second preceding taxable year, as applicable with respect to the taxpayer's declaration of estimated tax**, if a return showing a liability for tax was filed by the taxpayer for [~~the~~] **such** preceding **or second preceding** taxable year and such preceding **or second preceding** year was a taxable year of twelve months, or

(b) An amount equal to the tax computed at the rates applicable to the taxable year, but otherwise on the basis of the facts shown on the return of the taxpayer for, and the law applicable to, the preceding taxable year **or the second preceding taxable year, as applicable with respect to the taxpayer's declaration of estimated tax**, or

§ 8. Section 2 of chapter 369 of the laws of 2018 amending the tax law relating to unrelated business taxable income of a taxpayer, is amended to read as follows:

§ 2. This act shall take effect immediately and shall apply to [~~taxable years beginning~~] **amounts paid or incurred** on and after January 1, 2018.

§ 9. Paragraph (b) of subdivision (8) of section 11-602 of the administrative code of the city of New York is amended by adding a new subparagraph (20) to read as follows:

(20) the amount of any federal deduction that would have been allowed pursuant to section 250(a)(1)(A) of the internal revenue code if the taxpayer had not made an election under subchapter s of chapter one of the internal revenue code.

§ 10. Clause (i) of subparagraph (1) of paragraph (b) of subdivision (3) of section 11-604 of the administrative code of the city of New York is amended to read as follows:

(i) In the case of an issuer or obligor subject to tax under this subchapter**, subchapter three-A** or subchapter four of this chapter, or subject to tax as a utility corporation under chapter eleven of this title, the issuer's allocation percentage shall be the percentage of the appropriate measure (as defined hereinafter) which is required to be allocated within the city on the report or reports, if any, required of the issuer or obligor under this title for the preceding year. The appropriate measure referred to in the preceding sentence shall be: in the case of an issuer or obligor subject to this subchapter **or subchapter three-A**, entire capital; in the case of an issuer or obligor subject to subchapter four of this chapter, issued capital stock; in the case of an issuer or obligor subject to chapter eleven of this title as a utility corporation, gross income.

§ 11. This act shall take effect immediately, provided, however, that:

(i) section one of this act shall be deemed to have been in full force and effect on and after the effective date of part K of chapter 59 of the laws of 2017;

(ii) sections two and six of this act shall be deemed to have been in full force and effect on and after the effective date of part KK of chapter 59 of the laws of 2018; provided, however, that section six of this act shall apply to taxable years beginning on or after January 1, 2018 through taxable years beginning on or before January 1, 2025;

(iii) section three of this act shall be deemed to have been in full force and effect on and after the effective date of part A of chapter 59 of the laws of 2014;

(iv) sections four, five, and seven of this act shall be deemed to have been in full force and effect on and after the effective date of part Q of chapter 60 of the laws of 2016;

(v) section eight of this act shall be deemed to have been in full force and effect on and after the effective date of chapter 369 of the laws of 2018;

(vi) section nine of this act shall apply to taxable years beginning on and after January 1, 2018.

PART AA

Section 1. Section 487 of the real property tax law is amended by adding a new subdivision 10 to read as follows:

10. Notwithstanding the foregoing provisions of this section, on or after April first, two thousand nineteen, real property that comprises or includes a solar or wind energy system, farm waste energy system, microhydroelectric energy system, fuel cell electric generating system, microcombined heat and power generating equipment system, electric energy storage system, or fuel-flexible linear generator as such terms are defined in paragraphs (b), (f), (h), (j), (l), (n), and (o) of subdivision one of this section (hereinafter, individually or collectively, "energy system"), shall be exempt from any taxation, special ad valorem levies, and special assessments to the extent provided in section four hundred ninety of this article, and the owner of such property shall not be subject to any requirement to enter into a contract for payments in lieu of taxes in accordance with subdivision nine of this section, if: (a) the energy system is installed on real property that is owned or controlled by the state of New York, a department or agency thereof, or a state authority as that term is defined by subdivision one of section two of the public authorities law; and (b) the state of New York, a department or agency thereof, or a state authority as that term is defined by subdivision one of section two of the public authorities law has agreed to purchase the energy produced by such energy system or the environmental credits or attributes created by virtue of the energy system's operation, in accordance with a written agreement with the owner or operator of such energy system. Such exemption shall be granted only upon application by the owner of the real property on a form prescribed by the commissioner, which application shall be filed with the assessor of the appropriate county, city, town or village on or before the taxable status date of such county, city, town or village.

§ 2. Section 490 of the real property tax law, as amended by chapter 87 of the laws of 2001, is amended to read as follows:

§ 490. Exemption from special ad valorem levies and special assessments. Real property exempt from taxation pursuant to subdivision two of section four hundred, subdivision one of section four hundred four, subdivision one of section four hundred six, sections four hundred eight, four hundred ten, four hundred ten-a, four hundred ten-b, four hundred eighteen, four hundred twenty-a, four hundred twenty-b, four hundred twenty-two, four hundred twenty-six, four hundred twenty-seven, four hundred twenty-eight, four hundred thirty, four hundred thirty-two, four hundred thirty-four, four hundred thirty-six, four hundred thirty-eight, four hundred fifty, four hundred fifty-two, four hundred fifty-four, four hundred fifty-six, four hundred sixty-four, four hundred seventy-two, four hundred seventy-four**,** [~~and~~] four hundred eighty-five **and subdivision ten of section four hundred eighty-seven** of this chapter shall also be exempt from special ad valorem levies and special assessments against real property located outside cities and villages for a special improvement or service or a special district improvement or service and special ad valorem levies and special assessments imposed by a county improvement district or district corporation except (1) those levied to pay for the costs, including interest and incidental and preliminary costs, of the acquisition, installation, construction, reconstruction and enlargement of or additions to the following improvements, including original equipment, furnishings, machinery or apparatus, and the replacements thereof: water supply and distribution systems; sewer systems (either sanitary or surface drainage or both, including purification, treatment or disposal plants or buildings);

waterways and drainage improvements; street, highway, road and parkway improvements (including sidewalks, curbs, gutters, drainage, landscaping, grading or improving the right of way) and (2) special assessments payable in installments on an indebtedness including interest contracted prior to July first, nineteen hundred fifty-three, pursuant to section two hundred forty-two of the town law or pursuant to any other comparable provision of law.

§ 3. This act shall take effect immediately.

PART BB

Section 1. Subdivision 1 of section 107 of the racing, pari-mutuel wagering and breeding law, as added by section 1 of part A of chapter 60 of the laws of 2012, is amended to read as follows:

1. No person shall be appointed to or employed by the commission if, during the period commencing three years prior to appointment or employment, [~~said~~] **such** person held any direct or indirect interest in, or employment by, any corporation, association or person engaged in gaming activity within the state. Prior to appointment or employment, each member, officer or employee of the commission shall swear or affirm that he or she possesses no interest in any corporation or association holding a franchise, license, registration, certificate or permit issued by the commission. Thereafter, no member or officer of the commission shall hold any direct interest in or be employed by any applicant for or by any corporation, association or person holding a license, registration, franchise, certificate or permit issued by the commission for a period of four years commencing on the date his or her membership with the commission terminates. Further, no employee of the commission may acquire any direct or indirect interest in, or accept employment with, any applicant for or any person holding a license, registration, franchise, certificate or permit issued by the commission for a period of two years commencing at the termination of employment with the commission. **The commission may, by resolution adopted, solely by unanimous vote, at a properly noticed public meeting, waive for good cause any of its pre-employment restrictions for a prospective employee. Such resolution shall be made public and describe the reasoning behind such determination in detail.**

§ 2. This act shall take effect immediately.

PART CC

Section 1. Subdivision 2 of section 254 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph h to read as follows:

h. An amount as shall be determined by the fund but not to exceed one percent, to support and promote the ongoing care of retired horses, provided, however, that the fund shall not be required to make any allocation for such purposes.

§ 2. Subdivision 1 of section 332 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph j to read as follows:

j. An amount as shall be determined by the fund but not to exceed one percent, to support and promote the ongoing care of retired horses, provided, however, that the fund shall not be required to make any allocation for such purposes.

§ 3. This act shall take effect immediately.

PART DD

Section 1. This Part enacts into law legislation relating to the office of gaming inspector general, the thoroughbred breeding and development fund, the Harry M. Zweig memorial fund and prize payment amounts and revenue distributions of lottery game sales. Each component is wholly contained within a Subpart identified as Subparts A through D. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this Part sets forth the general effective date of this Part.

SUBPART A

Section 1. Sections 1368, 1369, 1370, and 1371 of the racing, pari-mutuel wagering and breeding law are renumbered sections 130, 131, 132, and 133.

§ 2. Title 9 of article 13 of the racing, pari-mutuel wagering and breeding law is REPEALED.

§ 3. Section 130 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013 and as renumbered by section one of this act, is amended to read as follows:

§ 130. Establishment of the office of gaming inspector general. There is hereby created within the commission the office of gaming inspector general. The head of the office shall be the gaming inspector general who shall be appointed by the governor by and with the advice and consent of the senate. The **gaming** inspector general shall serve at the pleasure of the governor. The **gaming** inspector general shall report directly to the governor. The person appointed as **gaming** inspector general shall, upon his or her appointment, have not less than ten years professional experience in law, investigation, or auditing. The **gaming** inspector general shall be compensated within the limits of funds available therefor, provided, however, such salary shall be no less than the salaries of certain state officers holding the positions indicated in paragraph (a) of subdivision one of section one hundred sixty-nine of the executive law.

§ 4. The section heading, opening paragraph and subdivision 7 of section 131 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013 and such section as renumbered by section one of this act, are amended to read as follows:

[~~State gaming~~] **Gaming** inspector general; functions and duties. The [~~state~~] gaming inspector general shall have the following duties and responsibilities:

7. establish programs for training commission officers and employees [~~regarding~~] **in regard to** the prevention and elimination of corruption, fraud, criminal activity, conflicts of interest or abuse in the commission.

§ 5. The opening paragraph of section 132 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013 and such section as renumbered by section one of this act, is amended to read as follows:

The [~~state~~] gaming inspector general shall have the power to:

§ 6. Section 133 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013 and as renumbered by section one of this act, is amended to read as follows:

§ 133. Responsibilities of the commission and its officers and employees. 1. Every commission officer or employee shall report promptly to the [~~state~~] gaming inspector general any information concerning corruption, fraud, criminal activity, conflicts of interest or abuse by another state officer or employee relating to his or her office or employment, or by a person having business dealings with the commission relating to those dealings. The knowing failure of any officer or employee to so report shall be cause for removal from office or employment or other appropriate penalty under this article. Any officer or employee who acts pursuant to this subdivision by reporting to the [~~state~~] gaming inspector general or other appropriate law enforcement official improper governmental action as defined in section seventy-five-b of the civil service law shall not be subject to dismissal, discipline or other adverse personnel action.

2. The commission chair shall advise the governor within ninety days of the issuance of a report by the [~~state~~] gaming inspector general as to the remedial action that the commission has taken in response to any recommendation for such action contained in such report.

§ 7. This act shall take effect immediately.

SUBPART B

Intentionally omitted.

SUBPART C

Section 1. Section 703 of the racing, pari-mutuel wagering and breeding law is amended by adding a new subdivision 3 to read as follows:

3. Notwithstanding the provisions of section eleven of the state finance law and any other inconsistent provision of law, the fund may acquire property by the acceptance of conditional gifts, grants, devises or bequests given in furtherance of the mission of the fund.

§ 2. This act shall take effect immediately.

SUBPART D

Intentionally Omitted

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or subpart of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or subpart thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Subparts A through D of this Part shall be as specifically set forth in the last section of such Subpart.

PART EE

Intentionally Omitted

PART FF

Section 1. Subdivision 25 of section 1301 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

25. "Gross gaming revenue". The total of all sums actually received by a gaming facility licensee from gaming operations less the total of all sums paid out as winnings to patrons; provided, however, that the total of all sums paid out as winnings to patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout[~~; provided further, that the issuance to or wagering by patrons of a gaming facility of any promotional gaming credit shall not be taxable for the purposes of determining gross revenue~~].

§ 2. Section 1351 of the racing, pari-mutuel wagering and breeding law is amended by adding a new subdivision 2 to read as follows:

2. Permissible deductions. (a) A gaming facility may deduct from gross gaming revenue the amount of approved promotional gaming credits issued to and wagered by patrons of such gaming facility. The amount of approved promotional credits shall be calculated as follows:

(1) for the period commencing on April first, two thousand eighteen and ending on March thirty-first, two thousand twenty, an aggregate maximum amount equal to nineteen percent of the base taxable gross gaming revenue amount during the specified period;

(2) for the period commencing on April first, two thousand twenty and ending on March thirty-first, two thousand twenty-three, a maximum amount equal to nineteen percent of the base taxable gross gaming revenue amount for each fiscal year during the specified period; and

(3) for the period commencing on April first, two thousand twenty-three and thereafter, a maximum amount equal to fifteen percent of the base taxable gross gaming revenue amount for each fiscal year during the specified period.

(b) For purposes of paragraph (a) of this subdivision, "base taxable gross gaming revenue amount" means that portion of gross gaming revenue not attributable to deductible promotional credit.

(c) Any tax due on promotional credits deducted during the fiscal year in excess of the allowable deduction shall be paid within thirty days from the end of the fiscal year.

(d) Only promotional credits that are issued pursuant to a written plan approved by the commission as designed to increase revenue at the facility may be eligible for such deduction. The commission, in conjunction with the director of the budget, may suspend approval of any plan whenever they jointly determine that the use of the promotional credits under such plan is not effective in increasing the amount of revenue earned.

§ 3. This act shall take effect immediately.

PART GG

Section 1. Subdivision 12 of section 502 of the racing, pari-mutuel wagering and breeding law is amended to read as follows:

12. a. The board of directors shall hold an annual meeting and meet not less than quarterly.

b. Each board member shall receive, not less than seven days in advance of a meeting, documentation necessary to ensure knowledgeable

and engaged participation. Such documentation shall include material relevant to each agenda item including background information of discussion items, resolutions to be considered and associated documents, a monthly financial statement which shall include an updated cash flow statement and aged payable listing of industry payables, financial statements, management reports, committee reports and compliance items.

c. Staff of the corporation shall annually submit to the board for approval a financial plan accompanied by expenditure, revenue and cash flow projections. The plan shall contain projection of revenues and expenditures based on reasonable and appropriate assumptions and methods of estimations, and shall provide that operations will be conducted within the cash resources available. The financial plan shall also include information regarding projected employment levels, collective bargaining agreements and other actions relating to employee costs, capital construction and such other matters as the board may direct.

d. Staff of the corporation shall prepare and submit to the board on a quarterly basis a report of summarized budget data depicting overall trends, by major category within funds, of actual revenues and budget expenditures for the entire budget rather than individual line items, as well as updated quarterly cash flow projections of receipts and disbursements. Such reports shall compare revenue estimates and appropriations as set forth in such budget and in the quarterly revenue and expenditure projections submitted therewith, with the actual revenues and expenditures made to date. Such reports shall also compare actual receipts and disbursements with the estimates contained in the cash flow projections, together with variances and their explanation. All quarterly reports shall be accompanied by recommendations from the president setting forth any remedial action necessary to resolve any unfavorable budget variance including the overestimation of revenues and the underestimation of appropriations. These reports shall be completed within thirty days after the end of each quarter and shall be submitted to the board by the corporation comptroller.

e. Revenue estimates and the financial plan shall be regularly reexamined by the board and staff and shall provide a modified financial plan in such detail and within such time periods as the board may require. In the event of reductions in such revenue estimates, the board shall consider and approve such adjustments in revenue estimates and reductions in total expenditures as may be necessary to conform to such revised revenue estimates or aggregate expenditure limitations.

§ 2. Intentionally omitted.

§ 3. Subdivision 2-a of section 1009 of the racing, pari-mutuel wagering and breeding law, is amended by adding a new paragraph (c) to read as follows:

(c) The board may authorize a special demonstration project to be located in any facility licensed pursuant to article thirteen of this chapter. Notwithstanding the provisions of paragraph (a) of subdivision five of this section, an admission fee shall not be required for a demonstration project authorized in this paragraph. Provided however, on any day when a regional harness track conducts a live race meeting, a demonstration facility within that region shall predominantly display the live video of such regional harness track.

§ 4. This act shall take effect immediately.

PART HH

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The commission may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the commission. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand [~~nineteen~~] **twenty-four**; provided, however, that any party to such agreement may elect to terminate such agreement upon conveying written notice to all other parties of such agreement at least forty-five days prior to the effective date of the termination, via registered mail. Any party to an agreement receiving such notice of an intent to terminate, may request the commission to mediate between the parties new terms and conditions in a replacement agreement between the parties as will permit continuation of an in-home experiment until June thirtieth, two thousand [~~nineteen~~] **twenty-four**; and (iv) no in-home

simulcasting in the thoroughbred special betting district shall occur without the approval of the regional thoroughbred track.

§ 2. Subparagraph (iii) of paragraph d of subdivision 3 of section 1007 of the racing, pari-mutuel wagering and breeding law, as amended by section 2 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

(iii) Of the sums retained by a receiving track located in Westchester county on races received from a franchised corporation, for the period commencing January first, two thousand eight and continuing through June thirtieth, two thousand [~~nineteen~~] twenty-four, the amount used exclusively for purses to be awarded at races conducted by such receiving track shall be computed as follows: of the sums so retained, two and one-half percent of the total pools. Such amount shall be increased or decreased in the amount of fifty percent of the difference in total commissions determined by comparing the total commissions available after July twenty-first, nineteen hundred ninety-five to the total commissions that would have been available to such track prior to July twenty-first, nineteen hundred ninety-five.

§ 3. The opening paragraph of subdivision 1 of section 1014 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [~~nineteen~~] twenty-four and on any day regardless of whether or not a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack after June thirtieth, two thousand [~~nineteen~~] twenty-four. On any day on which a franchised corporation has not scheduled a racing program but a thoroughbred racing corporation located within the state is conducting racing, every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven (that [~~have~~] has entered into a written agreement with such facility's representative horsemen's organization, as approved by the commission), one thousand eight, or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state or foreign country subject to the following provisions:

§ 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering and breeding law, as amended by section 4 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

1. The provisions of this section shall govern the simulcasting of races conducted at harness tracks located in another state or country during the period July first, nineteen hundred ninety-four through June thirtieth, two thousand [~~nineteen~~] twenty-four. This section shall supersede all inconsistent provisions of this chapter.

§ 5. The opening paragraph of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by section 5 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is not conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June

thirtieth, two thousand [~~nineteen~~] twenty-four. Every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven that have entered into a written agreement with such facility's representative horsemen's organization as approved by the commission, one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live full-card simulcast signal of thoroughbred tracks (which may include quarter horse or mixed meetings provided that all such wagering on such races shall be construed to be thoroughbred races) located in another state or foreign country, subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article:

§ 6. The opening paragraph of section 1018 of the racing, pari-mutuel wagering and breeding law, as amended by section 6 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

Notwithstanding any other provision of this chapter, for the period July twenty-fifth, two thousand one through September eighth, two thousand [~~eighteen~~] twenty-three, when a franchised corporation is conducting a race meeting within the state at Saratoga Race Course, every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven (that has entered into a written agreement with such facility's representative horsemen's organization as approved by the commission), one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state, provided that such facility shall accept wagers on races run at all in-state thoroughbred tracks which are conducting racing programs subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article.

§ 7. Section 32 of chapter 281 of the laws of 1994, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting, as amended by section 7 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

§ 32. This act shall take effect immediately and the pari-mutuel tax reductions in section six of this act shall expire and be deemed repealed on July 1, [~~2019~~] 2024; provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, or repeal of any provision of law amended by any section of this act, and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law; provided further, however, that sections twenty-three and twenty-five of this act shall remain in full force and effect only until May 1, 1997 and at such time shall be deemed to be repealed.

§ 8. Section 54 of chapter 346 of the laws of 1990, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, as amended by section 8 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

§ 54. This act shall take effect immediately; provided, however, sections three through twelve of this act shall take effect on January 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breeding law, as added by section thirty-eight of this act, shall expire and be deemed repealed on July 1, [~~2019~~] 2024; and section eighteen of this

act shall take effect on July 1, 2008 and sections fifty-one and fifty-two of this act shall take effect as of the same date as chapter 772 of the laws of 1989 took effect.

§ 9. Paragraph (a) of subdivision 1 of section 238 of the racing, pari-mutuel wagering and breeding law, as amended by section 9 of part GG of chapter 59 of the laws of 2018, is amended to read as follows:

(a) The franchised corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting or races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets be presented for payment before April first of the year following the year of their purchase, less an amount which shall be established and retained by such franchised corporation of between twelve to seventeen per centum of the total deposits in pools resulting from on-track regular bets, and fourteen to twenty-one per centum of the total deposits in pools resulting from on-track multiple bets and fifteen to twenty-five per centum of the total deposits in pools resulting from on-track exotic bets and fifteen to thirty-six per centum of the total deposits in pools resulting from on-track super exotic bets, plus the breaks. The retention rate to be established is subject to the prior approval of the gaming commission.

Such rate may not be changed more than once per calendar quarter to be effective on the first day of the calendar quarter. "Exotic bets" and "multiple bets" shall have the meanings set forth in section five hundred nineteen of this chapter. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. For purposes of this section, a "pick six bet" shall mean a single bet or wager on the outcomes of six races. The breaks are hereby defined as the odd cents over any multiple of five for payoffs greater than one dollar five cents but less than five dollars, over any multiple of ten for payoffs greater than five dollars but less than twenty-five dollars, over any multiple of twenty-five for payoffs greater than twenty-five dollars but less than two hundred fifty dollars, or over any multiple of fifty for payoffs over two hundred fifty dollars. Out of the amount so retained there shall be paid by such franchised corporation to the commissioner of taxation and finance, as a reasonable tax by the state for the privilege of conducting pari-mutuel betting on the races run at the race meetings held by such franchised corporation, the following percentages of the total pool for regular and multiple bets five per centum of regular bets and four per centum of multiple bets plus twenty per centum of the breaks; for exotic wagers seven and one-half per centum plus twenty per centum of the breaks, and for super exotic bets seven and one-half per centum plus fifty per centum of the breaks.

For the period June first, nineteen hundred ninety-five through September ninth, nineteen hundred ninety-nine, such tax on regular wagers shall be three per centum and such tax on multiple wagers shall be two and one-half per centum, plus twenty per centum of the breaks. For the period September tenth, nineteen hundred ninety-nine through March thirty-first, two thousand one, such tax on all wagers shall be two and six-tenths per centum and for the period April first, two thousand one through December thirty-first, two thousand [~~nineteen~~] **twenty-four**, such tax on all wagers shall be one and six-tenths per centum, plus, in each such period, twenty per centum of the breaks. Payment to the New York state thoroughbred breeding and development fund by such franchised corporation shall be one-half of one per centum of total daily on-track pari-mutuel pools resulting from regular, multiple and exotic bets and three per centum of super exotic bets provided, however,

that for the period September tenth, nineteen hundred ninety-nine through March thirty-first, two thousand one, such payment shall be six-tenths of one per centum of regular, multiple and exotic pools and for the period April first, two thousand one through December thirty-first, two thousand [~~nineteen~~] **twenty-four**, such payment shall be seven-tenths of one per centum of such pools.

§ 10. This act shall take effect immediately.

PART II

Intentionally Omitted

PART JJ

Section 1. Section 2 of part EE of chapter 59 of the laws of 2018, amending the racing, pari-mutuel wagering and breeding law, relating to adjusting the franchise payment establishing an advisory committee to review the structure, operations and funding of equine drug testing and research, is amended to read as follows:

§ 2. An advisory committee shall be established within the New York gaming commission comprised of individuals with demonstrated interest in the performance of thoroughbred and standardbred race horses to review the present structure, operations and funding of equine drug testing and research conducted pursuant to article nine of the racing, pari-mutuel wagering and breeding law. Members of the committee, who shall be appointed by the governor, shall include but not be limited to a designee at the recommendation of each licensed or franchised thoroughbred and standardbred racetrack, a designee at the recommendation of each operating regional off-track betting corporation, a designee at the recommendation of each recognized horsemen's organization at licensed or franchised thoroughbred and standardbred racetracks, a designee at the recommendation of both Morrisville State College and the Cornell University School of Veterinary Medicine, and two designees each at the recommendation of the speaker of the assembly and temporary president of the senate. The governor shall designate the chair from among the members who shall serve as such at the pleasure of the governor. State agencies shall cooperate with and assist the committee in the fulfillment of its duties and may render informational, non-personnel services to the committee within their respective functions as the committee may reasonably request. Recommendations shall be delivered to the temporary president of the senate, speaker of the assembly and governor by December 1, [~~2018~~] **2019** regarding the future of such research, testing and funding. Members of the board shall not be considered policymakers.

§ 2. Subdivision 1 of section 902 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 15 of the laws of 2010, is amended to read as follows:

1. In order to assure the public's confidence and continue the high degree of integrity in racing at the pari-mutuel betting tracks, equine drug testing at race meetings shall be conducted by a [~~state college within this state with an approved equine science program~~] **suitable laboratory physically located within the state, as the gaming commission may determine in its discretion**. The [~~state racing and wagering board~~] **gaming commission** shall promulgate any rules and regulations necessary to implement the provisions of this section, including administrative penalties of loss of purse money, fines, or denial, suspension[~~,~~] or revocation of a license for racing drugged horses.

§ 3. This act shall take effect immediately.

PART KK

Intentionally Omitted

PART LL

Intentionally Omitted

PART MM

Section 1. Section 1405-B of the tax law is amended by adding a new subdivision (c) to read as follows:

(c) The information contained within information returns filed under subdivision (b) of this section may be provided by the commissioner to local assessors for use in real property tax administration, and such information shall not be subject to the secrecy provisions set forth in section fourteen hundred eighteen of this chapter, provided, however, that the commissioner shall not disclose social security numbers or employer identification numbers.

§ 2. This act shall take effect January 1, 2020.

PART NN

Section 1. Paragraph 3 of subsection (e-1) of section 606 of the tax law, as added by section 2 of part K of chapter 59 of the laws of 2014, is amended as follows:

(3) Determination of credit. For taxable years after two thousand thirteen [~~and prior to two thousand sixteen~~], the amount of the credit allowable under this subsection shall be determined as follows:

If household gross income for the taxable year is:	Excess real property taxes are the excess of real property tax equivalent or the excess of qualifying real property taxes over the following percentage of household gross income:	The credit amount is the following percentage of excess property taxes:
Less than $100,000	4	4.5
$100,000 to less than $150,000	5	3.0
$150,000 to less than $200,000	6	1.5

Notwithstanding the foregoing provisions, the maximum credit determined under this subparagraph may not exceed five hundred dollars.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2016; provided, however, that the amendments to subsection (e-1) of section 606 of the tax law made by section one of this act shall not affect the repeal of such subsection and shall be deemed to be repealed therewith.

PART OO

Section 1. Subdivision v of section 233 of the real property law, as amended by chapter 566 of the laws of 1996, is amended to read as follows:

v. **1.** On and after April first, nineteen hundred eighty-nine, the commissioner of housing and community renewal shall have the power and duty to enforce and ensure compliance with the provisions of this section. However, the commissioner shall not have the power or duty to enforce manufactured home park rules and regulations established under subdivision f of this section.

2. On or before January first, nineteen hundred eighty-nine, each manufactured home park owner or operator shall file a registration statement with the commissioner and shall thereafter file an annual registration statement on or before January first of each succeeding year. The commissioner, by regulation, shall provide that such registration statement shall include only the names of all persons owning an interest in the park, the names of all tenants of the park, all services provided by the park owner to the tenants and a copy of all current manufactured home park rules and regulations. **The reporting of such information to the commissioner of taxation and finance pursuant to subparagraph (B) of paragraph six of subsection (eee) of section six hundred six of the tax law shall be deemed to satisfy the requirements of this paragraph.**

3. Whenever there shall be a violation of this section, an application may be made by the commissioner of housing and community renewal in the name of the people of the state of New York to a court or justice having jurisdiction by a special proceeding to issue an injunction, and upon notice to the defendant of not less than five days, to enjoin and restrain the continuance of such violation; and if it shall appear to the satisfaction of the court or justice that the defendant has, in fact, violated this section, an injunction may be issued by such court or justice, enjoining and restraining any further violation and with respect to this subdivision, directing the filing of a registration statement. In any such proceeding, the court may make allowances to the commissioner of housing and community renewal of a sum not exceeding two thousand dollars against each defendant, and direct restitution. Whenever the court shall determine that a violation of this section has occurred, the court may impose a civil penalty of not more than one thousand five hundred dollars for each violation. Such penalty shall be deposited in the manufactured home cooperative fund, created pursuant to section fifty-nine-h of the private housing finance law. In connection with any such proposed application, the commissioner of housing and community renewal is authorized to take proof and make a determination of the relevant facts and to issue subpoenas in accordance with the civil practice law and rules. The provisions of this subdivision shall not impair the rights granted under subdivision u of this section.

§ 2. Subparagraph (B) of paragraph 6 of subsection (eee) of section 606 of the tax law, as amended by section 8 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(B) **(i)** In the case of property consisting of a mobile home that is described in paragraph (1) of subdivision two of section four hundred twenty-five of the real property tax law, the amount of the credit allowable with respect to such mobile home shall be equal to the basic STAR tax savings for the school district portion, or the enhanced STAR tax savings for the school district portion, whichever is applicable, that would be applied to a separately assessed parcel in the school district portion with a taxable assessed value equal to twenty thousand

dollars multiplied by the latest state equalization rate or special equalization rate for the assessing unit in which the mobile home is located. Provided, however, that if the commissioner is in possession of information, including but not limited to assessment records, that demonstrates to the commissioner's satisfaction that the taxpayer's mobile home is worth more than twenty thousand dollars, or if the taxpayer provides the commissioner with such information, the taxpayer's credit shall be increased accordingly, but in no case shall the credit exceed the basic STAR tax savings or enhanced STAR tax savings, whichever is applicable, for the school district portion.

(ii) The commissioner may implement an electronic system for the reporting of information by owners and operators of manufactured home parks, as defined by section two hundred thirty-three of the real property law. Upon the implementation of such a system, each such owner and operator shall file quarterly electronic statements with the commissioner no later than twenty-one days after the end of each calendar quarter. Such statement shall require reporting of names of all persons owning an interest in the park, the services provided by the park owner to the tenants, the names and addresses of all tenants of the park, whether the tenant leases or owns the home, and such additional information as the commissioner may deem necessary for the proper administration of the STAR exemption established pursuant to section four hundred twenty-five of the real property tax law and the STAR credit and any other property tax-based credit established pursuant to this section. In the case of a registration statement for the first calendar quarter of a year, such statement shall also include a copy of all current manufactured home park rules and regulations. The commissioner shall provide the commissioner of housing and community renewal with the information contained in each quarterly report no later than thirty days after the receipt thereof.

§ 3. This act shall take effect immediately.

PART PP

Section 1. Subparagraph (iv) of paragraph (b) of subdivision 4 of section 425 of the real property tax law, as amended by section 2 of part B of chapter 59 of the laws of 2018, is amended to read as follows:

(iv) (A) Effective with applications for the enhanced exemption on final assessment rolls to be completed in two thousand nineteen, the application form shall indicate that all owners of the property and any owners' spouses residing on the premises must have their income eligibility verified annually by the department and must furnish their taxpayer identification numbers in order to facilitate matching with records of the department. The income eligibility of such persons shall be verified annually by the department, and the assessor shall not request income documentation from them. All applicants for the enhanced exemption and all assessing units shall be required to participate in this program, which shall be known as the STAR income verification program.

(B) **Effective with final assessment rolls to be completed in two thousand twenty, the commissioner shall also annually verify the eligibility of such persons for the enhanced exemption on the basis of age and residency as well as income.**

(C) Where the commissioner finds that the enhanced exemption should be replaced with a basic exemption because [~~the income limitation applicable to the enhanced exemption has been exceeded~~] **the property is only**

eligible for a basic exemption, he or she shall provide the property owners with notice and an opportunity to submit to the commissioner evidence to the contrary. Where the commissioner finds that the enhanced exemption should be removed or denied without being replaced with a basic exemption because [~~the income limitation applicable to the basic exemption has also been exceeded~~] **the property is not eligible for either exemption**, he or she shall provide the property owners with notice and an opportunity to submit to the commissioner evidence to the contrary. In either case, if the owners fail to respond to such notice within forty-five days from the mailing thereof, or if their response does not show to the commissioner's satisfaction that the property is eligible for the exemption claimed, the commissioner shall direct the assessor or other person having custody or control of the assessment roll or tax roll to either replace the enhanced exemption with a basic exemption, or to remove or deny the enhanced exemption without replacing it with a basic exemption, as appropriate. The commissioner shall further direct such person to correct the roll accordingly. Such a directive shall be binding upon the assessor or other person having custody or control of the assessment roll or tax roll, and shall be implemented by such person without the need for further documentation or approval.

[~~(C)~~] **(D)** Notwithstanding any provision of law to the contrary, neither an assessor nor a board of assessment review has the authority to consider an objection to the replacement or removal or denial of an exemption pursuant to this subdivision, nor may such an action be reviewed in a proceeding to review an assessment pursuant to title one or one-A of article seven of this chapter. Such an action may only be challenged before the department. If a taxpayer is dissatisfied with the department's final determination, the taxpayer may appeal that determination to the state board of real property tax services in a form and manner to be prescribed by the commissioner. Such appeal shall be filed within forty-five days from the issuance of the department's final determination. If dissatisfied with the state board's determination, the taxpayer may seek judicial review thereof pursuant to article seventy-eight of the civil practice law and rules. The taxpayer shall otherwise have no right to challenge such final determination in a court action, administrative proceeding or any other form of legal recourse against the commissioner, the department, the state board of real property tax services, the assessor or other person having custody or control of the assessment roll or tax roll regarding such action.

§ 2. Paragraph (c) of subdivision 13 of section 425 of the real property tax law, as amended by section 1 of part J of chapter 57 of the laws of 2013, is amended, and a new paragraph (f) is added to read as follows:

(c) Additional consequences. A penalty tax may be imposed pursuant to this subdivision whether or not the improper exemption has been revoked in the manner provided by this section. In addition, a person or persons who are found to have made a material misstatement shall be disqualified from further exemption pursuant to this section**, and from the credit authorized by subsection (eee) of section six hundred six of the tax law,** for a period of [~~five years if such misstatement appears on an application filed prior to October first, two thousand thirteen, and~~] six years [~~if such misstatement appears on an application filed thereafter~~]. In addition, such person or persons may be subject to prosecution pursuant to the penal law.

(f) Assessor notification. The assessor shall inform the commissioner whenever a person or persons is found to have made a material misstatement on an application for the exemption authorized by this section.

§ 3. Paragraph (13) of subsection (eee) of section 606 of the tax law is amended by adding a new subparagraph (E) to read as follows:

(E) A taxpayer who is found to have made a material misstatement on an application for the credit authorized by this section shall be disqualified from receiving such credit for six years. As used herein, the term "material misstatement" shall have the same meaning as set forth in paragraph (a) of subdivision thirteen of section four hundred twenty-five of the real property tax law.

§ 4. Subparagraph (E) of paragraph (10) of subsection (eee) of section 606 of the tax law, as amended by section 8 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(E) If the commissioner determines after issuing an advance payment that it was issued in an excessive amount or to an ineligible or incorrect party, the commissioner shall be empowered to utilize any of the procedures for collection, levy and lien of personal income tax set forth in this article, any other relevant procedures referenced within the provisions of this article, and any other law as may be applicable, to recoup the improperly issued amount; provided that in the event such party was determined to be ineligible on the basis that his or her primary residence received the STAR exemption in the associated fiscal year, the improperly issued credit amount shall be deemed a clerical error and shall be paid upon notice and demand without the issuance of a notice of deficiency and shall be assessed, collected and paid in the same manner as taxes.

§ 5. This act shall take effect immediately.

PART QQ

Section 1. Section 425 of the real property tax law is amended by adding a new subdivision 17 to read as follows:

17. Certain disclosures authorized. (a) Notwithstanding any provision of law to the contrary, when the commissioner has determined that the owner or owners of a parcel of real property are ineligible for either the STAR exemption authorized by this section or the STAR credit authorized by subsection (eee) of section six hundred six of the tax law, the commissioner may disclose the names of such owner or owners to the assessor of the assessing unit in which the property is located. In addition:

(i) Where the commissioner has found that the STAR exemption or credit could not be granted because the income of the owner or owners is above the applicable limit, the commissioner may so advise the assessor, but shall not disclose the amount of income of any such owner or owners.

(ii) Where the commissioner has found that the STAR exemption or credit could not be granted because the property is not the primary residence of one or more of the owners thereof, or that the owner's spouse is receiving a STAR exemption or STAR credit on another residence or a comparable benefit on a residence in another state, the commissioner may so advise the assessor. The commissioner may further advise the assessor of the facts supporting that determination, including the location or locations of the property owner's other residence or residences, if any.

(iii) Where the commissioner has found that the enhanced STAR exemption or credit could not be granted because the owner or owners do not meet the applicable age requirement, the commissioner may so advise

the assessor, and may further advise the assessor of their birth dates if known.

(iv) Where the commissioner has found that the enhanced STAR exemption or credit could not be granted because the owner or owners failed to enroll in the income verification program or failed to submit the income worksheet required thereunder, the commissioner may so advise the assessor.

(b) Information disclosed to an assessor pursuant to this subdivision shall be used only for purposes of real property tax administration. It shall be deemed confidential otherwise, and shall not be subject to the provisions of article six of the public officers law.

§ 2. Section 467 of the real property tax law is amended by adding a new subdivision 11 to read as follows:

11. (a) Notwithstanding any provision of law to the contrary, upon the request of an assessor, the commissioner may disclose to the assessor the names and addresses of the owners of property in that assessor's assessing unit who are receiving the enhanced STAR exemption or enhanced STAR credit and whose federal adjusted gross income is less than the uppermost amount specified by subparagraph three of paragraph (b) of subdivision one of this section (represented therein as M + $8,400). Such amount shall be determined without regard to any local options that the municipal corporation may or may not have exercised in relation to increasing or decreasing the maximum income eligibility level authorized by this section, provided that the amount so determined for a city with a population of one million or more shall take into account the distinct maximum income eligibility level established for such city by paragraph (a) of subdivision three of this section. In no case shall the commissioner disclose to an assessor the amount of an owner's federal adjusted gross income.

(b) The assessor may use the information contained in such a report to contact those owners who are not already receiving the exemption authorized by this section and to suggest that they consider applying for it. Provided, however, that nothing contained herein shall be construed as enabling any person or persons to qualify for the exemption authorized by this section on the basis of their federal adjusted gross income, rather than on the basis of their income as determined pursuant to the provisions of paragraph (a) of subdivision three of this section.

(c) Information disclosed to an assessor pursuant to this subdivision shall be used only for purposes of real property tax administration. It shall be deemed confidential otherwise, and shall not be subject to the provisions of article six of the public officers law.

§ 3. Section 1532 of the real property tax law is amended by adding a new subdivision 5 to read as follows:

5. Information regarding decedents provided by the commissioner to a county director of real property tax services pursuant to subsection (c) of section six hundred fifty-one of the tax law shall be used only for purposes of real property tax administration. The contents of the report may be shared with the assessor and tax collecting officer of the municipal corporation in which the decedent's former residence is located, and with the enforcing officer if such residence is subject to delinquent taxes. The information shall be deemed confidential otherwise, and shall not be subject to the provisions of article six of the public officers law.

§ 4. Subsection (c) of section 651 of the tax law, as amended by chapter 783 of the laws of 1962, is amended to read as follows:

(c) Decedents. The return for any deceased individual shall be made and filed by his executor, administrator, or other person charged with his property. If a final return of a decedent is for a fractional part of a year, the due date of such return shall be the fifteenth day of the fourth month following the close of the twelve-month period which began with the first day of such fractional part of the year. **Notwithstanding any provision of law to the contrary, when a return has been filed for a decedent, the commissioner may disclose the decedent's name, address, and the date of death to the director of real property tax services of the county in which the address reported on such return is located.**

§ 5. This act shall take effect immediately.

PART RR

Intentionally Omitted

PART SS

Section 1. Subdivision 6 of section 1306-a of the real property tax law, as amended by section 3 of part TT of chapter 59 of the laws of 2017, is amended to read as follows:

6. When the commissioner determines, at least twenty days prior to the levy of school district taxes, that an advance credit of the personal income tax credit authorized by subsection (eee) of section six hundred six of the tax law will be provided to the owners of a parcel in that school district, he or she shall so notify the assessor, the county director of real property tax services, and the authorities of the school district, who shall cause a statement to be placed on the tax bill for the parcel in substantially the following form: "An estimated STAR check **has been or** will be mailed to you [~~**upon issuance**~~] by the NYS Tax Department. Any overpayment or underpayment can be reconciled on your next tax return or STAR credit check."

Notwithstanding any provision of law to the contrary, in the event that the parcel in question had been granted a STAR exemption on the assessment roll upon which school district taxes are to be levied, such exemption shall be deemed null and void, shall be removed from the assessment roll, and shall be disregarded when the parcel's tax liability is determined. The assessor or other local official or officials having custody and control of the data file used to generate school district tax rolls and tax bills shall be authorized and directed to change such file as necessary to enable the school district authorities to discharge the duties imposed upon them by this subdivision.

§ 2. This act shall take effect immediately.

PART TT

Section 1. Paragraph (a-2) of subdivision 6 of section 425 of the real property tax law, as added by section 1 of part D of chapter 60 of the laws of 2016, is amended to read as follows:

(a-2) Notwithstanding any provision of law to the contrary, where [~~**a renewal**~~] **an** application for the "enhanced" STAR exemption authorized by subdivision four of this section has not been filed on or before the taxable status date, and the owner believes that good cause existed for the failure to file the [~~**renewal**~~] application by that date, the owner may, no later than the last day for paying school taxes without incurring interest or penalty, submit a written request to the commissioner

asking him or her to extend the filing deadline and grant the exemption. Such request shall contain an explanation of why the deadline was missed, and shall be accompanied by [~~a renewal~~] an application, reflecting the facts and circumstances as they existed on the taxable status date. After consulting with the assessor, the commissioner may extend the filing deadline and grant the exemption if the commissioner is satisfied that (i) good cause existed for the failure to file the [~~renewal~~] application by the taxable status date, and that (ii) the applicant is otherwise entitled to the exemption. The commissioner shall mail notice of his or her determination to such owner and the assessor. If the determination states that the commissioner has granted the exemption, the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. If the correction is not made before school taxes are levied, the [~~failure to take the exemption into account in the computation of the tax shall be deemed a "clerical error" for purposes of title three of article five of this chapter, and shall be corrected accordingly~~] school district authorities shall be authorized and directed to take account of the fact that the commissioner has granted the exemption by correcting the applicant's tax bill and/or issuing a refund accordingly.

§ 2. Paragraph (d) of subdivision 2 of section 496 of the real property tax law, as added by section 3 of part A of chapter 60 of the laws of 2016, is amended to read as follows:

(d) If the applicant is renouncing a STAR exemption in order to qualify for the personal income tax credit authorized by subsection (eee) of section six hundred six of the tax law, and no other exemptions are being renounced on the same application, or if the applicant is renouncing a STAR exemption before school taxes have been levied on the assessment roll upon which that exemption appears, no processing fee shall be applicable.

§ 3. Paragraph (a) of subdivision 2 of section 496 of the real property tax law, as amended by section 3 of part A of chapter 60 of the laws of 2016, is amended to read as follows:

(a) For each assessment roll on which the renounced exemption appears, the assessed value that was exempted shall be multiplied by the tax rate or rates that were applied to that assessment roll, or in the case of a renounced STAR exemption, the tax savings calculated pursuant to subdivision two of section thirteen hundred six-a of this chapter. Interest shall then be added to each such product at the rate prescribed by section nine hundred twenty-four-a of this chapter or such other law as may be applicable for each month or portion thereon since the levy of taxes upon such assessment roll.

§ 4. Paragraph 5 of subsection (eee) of section 606 of the tax law, as amended by section 8 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(5) Disqualification. A taxpayer shall not qualify for the credit authorized by this subsection if the parcel that serves as the taxpayer's primary residence received the STAR exemption on the assessment roll upon which school district taxes for the associated fiscal year [~~where~~] were levied. Provided, however, that the taxpayer may remove this disqualification by renouncing the exemption [~~and making any required payments~~] by December thirty-first of the taxable year, as provided by subdivision sixteen of section four hundred twenty-five of the real property tax law, and making any required payments within the

time frame prescribed by section four hundred ninety-six of the real property tax law.

§ 5. This act shall take effect immediately.

PART UU

Section 1. The article heading of article 13-F of the public health law, as amended by chapter 448 of the laws of 2012, is amended to read as follows:

REGULATION OF TOBACCO PRODUCTS,
VAPOR PRODUCTS, ELECTRONIC CIGARETTES,
HERBAL CIGARETTES AND SMOKING
PARAPHERNALIA; DISTRIBUTION TO [~~MINORS~~] PERSONS UNDER THE AGE OF TWENTY-ONE

§ 2. Subdivisions 1 and 4 of section 1399-aa of the public health law, subdivision 1 as amended by chapter 13 of the laws of 2003, and subdivision 4 as added by chapter 799 of the laws of 1992, are amended and six new subdivisions 14, 15, 16, 17, 18 and 19 are added to read as follows:

1. "Enforcement officer" means the enforcement officer designated pursuant to article thirteen-E of this chapter to enforce such article and hold hearings pursuant thereto; provided that in a city with a population of more than one million it shall also mean an officer or employee or any agency of such city that is authorized to enforce any local law of such city related to the regulation of the sale of tobacco products to [~~minors~~] persons under the age of twenty-one.

4. "Private club" means an organization with no more than an insignificant portion of its membership comprised of people under the age of [~~eighteen~~] twenty-one years that regularly receives dues and/or payments from its members for the use of space, facilities and services.

14. "Price reduction instrument" means any coupon, voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or any other form, used for commercial purposes to receive an article, product, service, or accommodation without charge or at a discounted price.

15. "Dealer" means a dealer, as defined in section four hundred seventy of the tax law or a vapor products dealer as defined in section eleven hundred eighty of the tax law.

16. "Vapor product" means any noncombustible liquid or gel, regardless of the presence of nicotine therein, that is manufactured into a finished product for use in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, vaping pen, hookah pen or other similar device. "Vapor product" shall not include any product approved by the United States food and drug administration as a drug or medical device, or manufactured and dispensed pursuant to title five-A of article thirty-three of the public health law.

17. "Tobacco and vapor products menu" means a booklet, pamphlet, or other listing of tobacco products, herbal cigarettes, vapor products, and electronic cigarettes offered for sale by the dealer and the price of such products. The tobacco and vapor products menu may contain pictures of and advertisements for tobacco products, herbal cigarettes, vapor products and electronic cigarettes.

18. "Menu cover page" means the front cover of a tobacco and vapor products menu or, if there is no front cover, the first page of a tobacco and vapor products menu.

19. "Characterizing flavor" means a distinguishable taste or aroma, other than the taste or aroma of tobacco or menthol, imparted either

prior to or during consumption of a tobacco product, electronic cigarettes and vapor products or component thereof, including, but not limited to, tastes or aromas relating to any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, herb or spice.

§ 3. Section 1399-bb of the public health law, as amended by chapter 508 of the laws of 2000, the section heading and subdivisions 4 and 5 as amended by chapter 4 of the laws of 2018 and subdivision 2 as amended by chapter 13 of the laws of 2003, is amended to read as follows:

§ 1399-bb. Distribution of tobacco products, vapor products, electronic cigarettes or herbal cigarettes without charge. 1. No person engaged in the business of selling or otherwise distributing tobacco products, vapor products, electronic cigarettes or herbal cigarettes for commercial purposes, or any agent or employee of such person, shall knowingly, in furtherance of such business:

(a) distribute without charge any tobacco products or herbal cigarettes to any individual, provided that the distribution of a package containing tobacco products or herbal cigarettes in violation of this subdivision shall constitute a single violation without regard to the number of items in the package; or

(b) distribute [~~coupons~~] price reduction instruments which are redeemable for tobacco products [~~or~~], herbal cigarettes, vapor products, or electronic cigarettes to any individual, provided that this subdivision shall not apply to coupons contained in newspapers, magazines or other types of publications, coupons obtained through the purchase of tobacco products [~~or~~], herbal cigarettes, vapor products, or electronic cigarettes or obtained at locations which sell tobacco products [~~or~~], herbal cigarettes, vapor products, or electronic cigarettes provided that such distribution is confined to a designated area or to coupons sent through the mail.

1-a. No person engaged in the business of selling or otherwise distributing tobacco products, herbal cigarettes, vapor products, or electronic cigarettes for commercial purposes, or any agent or employee of such person, shall knowingly, in furtherance of such business:

(a) honor or accept a price reduction instrument in any transaction related to the sale of tobacco products, herbal cigarettes, vapor products, or electronic cigarettes to a consumer;

(b) sell or offer for sale tobacco products, herbal cigarettes, vapor products, or electronic cigarettes to a consumer through any multi-package discount or otherwise provide to a consumer any tobacco products, herbal cigarettes, vapor products, electronic cigarettes for less than the listed price in exchange for the purchase of any other tobacco products, herbal cigarettes, vapor products, or electronic cigarettes by the consumer;

(c) sell, offer for sale, or otherwise provide any product other than tobacco products, herbal cigarettes, vapor products, or electronic cigarettes to a consumer for less than the listed price in exchange for the purchase of tobacco products, herbal cigarettes, vapor products, or electronic cigarettes by the consumer; or

(d) sell, offer for sale, or otherwise provide tobacco products, herbal cigarettes, vapor products, or electronic cigarettes to a consumer for less than the listed price.

2. The prohibitions contained in subdivision one of this section shall not apply to the following locations:

(a) private social functions when seating arrangements are under the control of the sponsor of the function and not the owner, operator, manager or person in charge of such indoor area;

(b) conventions and trade shows; provided that the distribution is confined to designated areas generally accessible only to persons over the age of [~~eighteen~~] twenty-one;

(c) events sponsored by tobacco [~~or~~], herbal cigarette, vapor products, or electronic cigarette manufacturers provided that the distribution is confined to designated areas generally accessible only to persons over the age of [~~eighteen~~] twenty-one;

(d) bars as defined in subdivision one of section thirteen hundred ninety-nine-n of this chapter;

(e) tobacco businesses as defined in subdivision eight of section thirteen hundred ninety-nine-aa of this article;

(f) factories as defined in subdivision nine of section thirteen hundred ninety-nine-aa of this article and construction sites; provided that the distribution is confined to designated areas generally accessible only to persons over the age of [~~eighteen~~] twenty-one.

3. No person shall distribute tobacco products [~~or~~], herbal cigarettes, vapor products, or electronic cigarettes at the locations set forth in paragraphs (b), (c) and (f) of subdivision two of this section unless such person gives five days written notice to the enforcement officer.

4. No person engaged in the business of selling or otherwise distributing vapor products or electronic cigarettes for commercial purposes, or any agent or employee of such person, shall knowingly, in furtherance of such business, distribute without charge any vapor products or electronic cigarettes to any individual under [~~eighteen~~] twenty-one years of age.

5. The distribution of tobacco products or herbal cigarettes pursuant to subdivision two of this section or the distribution without charge of vapor products or electronic cigarettes shall be made only to an individual who demonstrates, through (a) a driver's license or [~~other photographic~~] non-driver's identification card issued by [~~a government entity or educational institution~~] the commissioner of motor vehicles, the federal government, any United States territory, commonwealth or possession, the District of Columbia, a state government within the United States or a provincial government of the dominion of Canada, or (b) a valid passport issued by the United States government or any other country, or (c) an identification card issued by the armed forces of the United States, indicating that the individual is at least [~~eighteen~~] twenty-one years of age. Such identification need not be required of any individual who reasonably appears to be at least [~~twenty-five~~] thirty years of age; provided, however, that such appearance shall not constitute a defense in any proceeding alleging the sale of a tobacco product, vapor product, electronic cigarette or herbal cigarette or the distribution without charge of vapor products or electronic cigarettes to an individual under twenty-one years of age.

§ 4. The opening paragraph of section 1399-cc of the public health law, as amended by chapter 542 of the laws of 2014, is amended to read as follows:

Sale of tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, electronic cigarettes, shisha, rolling papers or smoking paraphernalia to [~~minors~~] persons under the age of twenty-one is prohibited.

§ 5. Paragraph (e) of subdivision 1 of section 1399-cc of the public health law is REPEALED.

§ 6. Subdivisions 2, 3, 4 and 7 of section 1399-cc of the public health law, as amended by chapter 542 of the laws of 2014, are amended to read as follows:

2. Any person operating a place of business wherein tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes, are sold or offered for sale is prohibited from selling such products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha, electronic cigarettes or smoking paraphernalia to individuals under [~~eighteen~~] twenty-one years of age, and shall post in a conspicuous place a sign upon which there shall be imprinted the following statement, "SALE OF CIGARETTES, CIGARS, CHEWING TOBACCO, POWDERED TOBACCO, SHISHA OR OTHER TOBACCO PRODUCTS, HERBAL CIGARETTES, [~~LIQUID NICOTINE~~] VAPOR PRODUCTS, ELECTRONIC CIGARETTES, ROLLING PAPERS OR SMOKING PARAPHERNALIA, TO PERSONS UNDER [~~EIGHTEEN~~] TWENTY-ONE YEARS OF AGE IS PROHIBITED BY LAW." Such sign shall be printed on a white card in red letters at least one-half inch in height.

3. Sale of tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes in such places, other than by a vending machine, shall be made only to an individual who demonstrates, through (a) a valid driver's license or non-driver's identification card issued by the commissioner of motor vehicles, the federal government, any United States territory, commonwealth or possession, the District of Columbia, a state government within the United States or a provincial government of the dominion of Canada, or (b) a valid passport issued by the United States government or any other country, or (c) an identification card issued by the armed forces of the United States, indicating that the individual is at least [~~eighteen~~] twenty-one years of age. Such identification need not be required of any individual who reasonably appears to be at least [~~twenty-five~~] thirty years of age, provided, however, that such appearance shall not constitute a defense in any proceeding alleging the sale of a tobacco product, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes to an individual under [~~eighteen~~] twenty-one years of age.

4. (a) Any person operating a place of business wherein tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes are sold or offered for sale may perform a transaction scan as a precondition for such purchases.

(b) In any instance where the information deciphered by the transaction scan fails to match the information printed on the driver's license or non-driver identification card, or if the transaction scan indicates that the information is false or fraudulent, the attempted transaction shall be denied.

(c) In any proceeding pursuant to section thirteen hundred ninety-nine-ee of this article, it shall be an affirmative defense that such person had produced a driver's license or non-driver identification card apparently issued by a governmental entity, successfully completed that transaction scan, and that the tobacco product, herbal cigarettes or [~~liquid nicotine~~] vapor products had been sold, delivered or given to such person in reasonable reliance upon such identification and transaction scan. In evaluating the applicability of such affirmative defense the commissioner shall take into consideration any written policy adopted and implemented by the seller to effectuate the provisions of this chapter. Use of a transaction scan shall not excuse any person operating a place of business wherein tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes are sold, or the agent or employee of such person, from the exer-

cise of reasonable diligence otherwise required by this chapter. Notwithstanding the above provisions, any such affirmative defense shall not be applicable in any civil or criminal proceeding, or in any other forum.

7. (a) No person operating a place of business wherein tobacco products, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes are sold or offered for sale shall sell, permit to be sold, offer for sale or display for sale any tobacco product, herbal cigarettes, [~~liquid nicotine~~] vapor products, shisha or electronic cigarettes in any manner, unless such products and cigarettes are stored for sale [~~(a)~~] (i) behind a counter in an area accessible only to the personnel of such business, or [~~(b)~~] (ii) in a locked container; provided, however, such restriction shall not apply to tobacco businesses, as defined in subdivision eight of section thirteen hundred ninety-nine-aa of this article, and to places to which admission is restricted to persons [~~eighteen~~] twenty-one years of age or older.

(b) In addition to the requirements set forth in paragraph (a) of this subdivision, no dealer shall permit the display of any tobacco product, herbal cigarette, vapor product, or electronic cigarette in a manner that permits a consumer to view any such item prior to purchase. Except as provided for in paragraph (c) of this subdivision is not violated if:

(i) at the direct request of a customer at least twenty-one years of age, such a customer handles the item, packaged or otherwise, to inspect the product prior to purchase; or

(ii) such items are temporarily visible during restocking, the sale of such items, or the carriage of such items into or out of the premises.

(c) No dealer shall display or permit the display of any tobacco product, herbal cigarette, vapor product, or electronic cigarette for any longer than necessary to complete the purposes identified in subparagraphs (i) and (ii) of paragraph (b) of this subdivision.

(d) No dealer shall store any tobacco and vapor products menu in a location where it is visible to customers or accessible to customers without the assistance of the dealer. The menu shall also contain menu cover page that shall prevent the inadvertent viewing of promotional or other material contained within the tobacco and vapor products menu.

(e) No dealer shall provide any tobacco and vapor products menu or any tobacco product, herbal cigarette, vapor product, or electronic cigarette to any individual who has not demonstrated, through identification which meets the requirements of subdivision three of this section, that the individual is at least twenty-one years of age. Such identification need not be required of any individual who reasonably appears to be over the age of thirty, provided, however, that such appearance shall not constitute a defense in any proceeding alleging the sale of such item to an individual under twenty-one years of age. It shall be an affirmative defense to a violation of this paragraph that the dealer successfully performed a transaction scan of an individual's identification and that a tobacco and vapor products menu, tobacco product, herbal cigarette, vapor product, or electronic cigarette was provided to such individual in reasonable reliance upon such identification and transaction scan.

(f) After a customer has completed viewing a tobacco and vapor products menu, the dealer shall immediately return the tobacco and vapor products menu to its storage location.

(g) Unless required otherwise by regulation of the department, the menu cover page of the tobacco and vapor products menu shall be blank or contain only the words "Tobacco and Vapor Products Menu" and shall not contain any advertising or other promotional material.

(h) The commissioner may issue rules and regulations governing the use of the tobacco and vapor products menu and menu cover page.

(i) Paragraphs (a) through (g) of this subdivision shall not apply to a place of business to which admission is restricted solely to persons twenty-one years of age or older.

(j) Nothing herein shall be construed to restrict the authority of any county, city, town, or village to enact, adopt, promulgate and enforce additional local laws, ordinances, regulations or other measures which are in addition to or more stringent than either of the provisions of this article.

§ 7. Section 1399-dd of the public health law, as amended by chapter 448 of the laws of 2012, is amended to read as follows:

§ 1399-dd. Sale of tobacco products, herbal cigarettes, vapor products, or electronic cigarettes in vending machines. No person, firm, partnership, company or corporation shall operate a vending machine which dispenses tobacco products, herbal cigarettes, vapor products, or electronic cigarettes unless such machine is located: (a) in a bar as defined in subdivision one of section thirteen hundred ninety-nine-n of this chapter, or the bar area of a food service establishment with a valid, on-premises full liquor license; (b) in a private club; (c) in a tobacco business as defined in subdivision eight of section thirteen hundred ninety-nine-aa of this article; or (d) in a place of employment which has an insignificant portion of its regular workforce comprised of people under the age of [~~eighteen~~] twenty-one years and only in such locations that are not accessible to the general public; provided, however, that in such locations the vending machine is located in plain view and under the direct supervision and control of the person in charge of the location or his or her designated agent or employee.

§ 8. Section 1399-ee of the public health law, as amended by chapter 162 of the laws of 2002, is amended to read as follows:

§ 1399-ee. Hearings; penalties. 1. Hearings with respect to violation of this article shall be conducted in the same manner as hearings conducted under article thirteen-E of this chapter.

2. If the enforcement officer determines after a hearing that a violation of this article has occurred, he or she shall impose a civil penalty of a minimum of three hundred dollars, but not to exceed one thousand dollars for a first violation, and a minimum of five hundred dollars, but not to exceed one thousand five hundred dollars for each subsequent violation, unless a different penalty is otherwise provided in this article. The enforcement officer shall advise the [~~retail~~] dealer that upon the accumulation of three or more points pursuant to this section the [~~department~~] commissioner of taxation and finance shall suspend the dealer's registration. If the enforcement officer determines after a hearing that a [~~retail~~] dealer was selling tobacco products, vapor products, or electronic cigarettes while their registration was suspended or permanently revoked pursuant to subdivision three or four of this section, he or she shall impose a civil penalty of twenty-five hundred dollars.

3. (a) Imposition of points. If the enforcement officer determines, after a hearing, that the [~~retail~~] dealer violated subdivision [~~one~~] two of section thirteen hundred ninety-nine-cc of this article with respect to a prohibited sale to a [~~minor~~] person under the age of twenty-one, he or she shall, in addition to imposing any other penalty required or permitted pursuant to this section, assign two points to the [~~retail~~] dealer's record where the individual who committed the violation did not hold a certificate of completion from a state certified tobacco sales

training program and one point where the [~~retail~~] dealer demonstrates that the person who committed the violation held a certificate of completion from a state certified tobacco sales training program.

(b) Revocation. If the enforcement officer determines, after a hearing, that a [~~retail~~] dealer has violated this article four times within a three year time frame he or she shall, in addition to imposing any other penalty required or permitted by this section, direct the commissioner of taxation and finance to revoke the dealer's registration for one year.

(c) Duration of points. Points assigned to a [~~retail~~] dealer's record shall be assessed for a period of thirty-six months beginning on the first day of the month following the assignment of points.

(d) Reinspection. Any [~~retail~~] dealer who is assigned points pursuant to paragraph (a) of this subdivision shall be reinspected at least two times a year by the enforcement officer until points assessed are removed from the [~~retail~~] dealer's record.

(e) Suspension. If the department determines that a [~~retail~~] dealer has accumulated three points or more, the department shall direct the commissioner of taxation and finance to suspend such dealer's registration for six months. The three points serving as the basis for a suspension shall be erased upon the completion of the six month penalty.

(f) Surcharge. A fifty dollar surcharge to be assessed for every violation will be made available to enforcement officers and shall be used solely for compliance checks to be conducted to determine compliance with this section.

4. (a) If the enforcement officer determines, after a hearing, that a [~~retail~~] dealer has violated this article while their registration was suspended pursuant to subdivision three of this section, he or she shall, in addition to imposing any other penalty required or permitted by this section, direct the commissioner of taxation and finance to permanently revoke the dealer's registration and not permit the dealer to obtain a new registration.

(b) If the enforcement officer determines, after a hearing, that a vending machine operator has violated this article three times within a two year period, or four or more times cumulatively he or she shall, in addition to imposing any other penalty required or permitted by this section, direct the commissioner of taxation and finance to suspend the vendor's registration for one year and not permit the vendor to obtain a new registration for such period.

5. The department shall publish a notification of the name and address of any [~~retailer~~] **dealer** violating the provisions of this section and indicate the number of times the dealer has violated the provisions of this section. The notification shall be published in a newspaper of general circulation in the locality in which the [~~retailer~~] **dealer** is located.

6. (a) In any proceeding pursuant to subdivision three of this section to assign points to a [~~retail~~] dealer's record, the [~~retail~~] dealer shall be assigned one point instead of two points where the [~~retail~~] dealer demonstrates that the person who committed the violation of section thirteen hundred ninety-nine-cc of this article held a valid certificate of completion from a state certified tobacco sales training program.

(b) A state certified tobacco sales training program shall include instruction in the following elements:

(1) the health effects of tobacco use, especially at a young age;

(2) the legal purchase age and the additional requirements of section thirteen hundred ninety-nine-cc of this article;
(3) legal forms of identification and the key features thereof;
(4) reliance upon legal forms of identification and the right to refuse sales when acting in good faith;
(5) means of identifying fraudulent identification of attempted underage purchasers;
(6) techniques used to refuse a sale;
(7) the penalties arising out of unlawful sales to underage individuals; and
(8) the significant disciplinary action or loss of employment that may be imposed by the [~~retail~~] dealer for a violation of the law or a deviation from the policies of the [~~retail~~] dealer in respect to compliance with such law.
(c) A tobacco sales training program may be given and administered by a [~~retail~~] dealer duly registered under section four hundred eighty-a of the tax law which operates five or more registered locations, by a trade association whose members are registered as [~~retail~~] dealers, by national and regional franchisors who have granted at least five franchises in the state to persons who are registered as such [~~retail~~] dealers by a cooperative corporation with five or more members who are registered as [~~retail~~] dealers and are operating in this state, and by a wholesaler supplying fifty or more [~~retail~~] dealers. A person or entity administering such training program shall issue certificates of completion to persons successfully completing such a training program. Such certificates shall be prima facie evidence of the completion of such a training program by the person named therein.
(d) A certificate of completion may be issued for a period of three years, however such certificate shall be invalidated by a change in employment.
(e) Entities authorized pursuant to paragraph (c) of this subdivision to give and administer a tobacco sales training program may submit a proposed curriculum, a facsimile of any training aids and materials, and a list of training locations to the department for review. Training aids may include the use of video, computer based instruction, printed materials and other formats deemed acceptable to the department. The department shall certify programs which provide instruction in the elements set forth in paragraph (b) of this subdivision in a clear and meaningful fashion. Programs approved by the department shall be certified for a period of three years at which time an entity may reapply for certification. A non-refundable fee in the amount of three hundred dollars shall be paid to the department with each application.
§ 9. Section 1399-hh of the public health law, as added by chapter 433 of the laws of 1997, is amended to read as follows:
§ 1399-hh. Tobacco **vapor product and electronic cigarette** enforcement. The commissioner shall develop, plan and implement a comprehensive program to reduce the prevalence of tobacco **vapor product and electronic cigarette** use, particularly among persons less than [~~eighteen~~] **twenty-one** years of age. This program shall include, but not be limited to, support for enforcement of article thirteen-F of this chapter.
1. An enforcement officer, as defined in section thirteen hundred ninety-nine-t of this chapter, may annually, on such dates as shall be fixed by the commissioner, submit an application for such monies as are made available for such purpose. Such application shall be in such form as prescribed by the commissioner and shall include, but not be limited to, plans regarding random spot checks, including the number and types

of compliance checks that will be conducted, and other activities to determine compliance with this article. Each such plan shall include an agreement to report to the commissioner: the names and addresses of [~~tobacco retailers and vendors~~] dealers determined to be unlicensed, if any; the number of complaints filed against licensed [~~tobacco retail outlets~~] dealers; and the names of [~~tobacco retailers and vendors~~] dealers who have paid fines, or have been otherwise penalized, due to enforcement actions.

2. The commissioner shall distribute such monies as are made available for such purpose to enforcement officers and, in so doing, consider the number of retail locations registered to sell tobacco products within the jurisdiction of the enforcement officer and the level of proposed activities.

3. Monies made available to enforcement officers pursuant to this section shall only be used for local tobacco, herbal cigarette, vapor products and electronic cigarette enforcement activities approved by the commissioner.

§ 10. Paragraph (b) of subdivision 2 of section 1399-ll of the public health law, as added by chapter 518 of the laws of 2000, is amended to read as follows:

(b) Any person operating a tobacco business wherein bidis is sold or offered for sale is prohibited from selling such bidis to individuals under [~~eighteen~~] twenty-one years of age, and shall post in a conspicuous place a sign upon which there shall be imprinted the following statement, "SALE OF BIDIS TO PERSONS UNDER [~~EIGHTEEN~~] TWENTY-ONE YEARS OF AGE IS PROHIBITED BY LAW." Such sign shall be printed on a white card in red letters at least one-half inch in height.

§ 11. Subdivision 1 and paragraph (b) of subdivision 2 of section 1399-mm of the public health law, as added by chapter 549 of the laws of 2003, are amended to read as follows:

1. No person shall knowingly sell or provide gutka to any other person under [~~eighteen~~] twenty-one years of age. No other provision of law authorizing the sale of tobacco products, other than subdivision two of this section, shall authorize the sale of gutka. Any person who violates the provisions of this subdivision shall be subject to a civil penalty of not more than five hundred dollars.

(b) Any person operating a tobacco business wherein gutka is sold or offered for sale is prohibited from selling such gutka to individuals under [~~eighteen~~] twenty-one years of age, and shall post in a conspicuous place a sign upon which there shall be imprinted the following statement, "SALE OF GUTKA TO PERSONS UNDER [~~EIGHTEEN~~] TWENTY-ONE YEARS OF AGE IS PROHIBITED BY LAW." Such sign shall be printed on a white card in red letters at least one-half inch in height.

§ 12. The public health law is amended by adding a new section 1399-mm-1 to read as follows:

§ 1399-mm-1. Sale in pharmacies. No tobacco products, herbal cigarettes, vapor products, or electronic cigarettes shall be sold in a pharmacy or in a retail establishment that contains a pharmacy operated as a department as defined in paragraph f of subdivision two of section sixty-eight hundred eight of the education law.

§ 13. The public health law is amended by adding a new section 1399-mm-2 to read as follows:

§ 1399-mm-2. Electronic cigarette and vapor products; characterizing flavors. The commissioner is authorized to promulgate regulations governing the sale and distribution of electronic cigarettes or vapor products. Such regulations may, to the extent deemed necessary for the

protection of public health, prohibit or restrict: (i) the selling, offering for sale, possessing with intent to sell or offering for sale, or distributing of refills, cartridges, or other components of electronic cigarettes or vapor products that imparts a characterizing flavor; or (ii) the use of trademarks, names or descriptions of characterizing flavors that are clearly intended to appeal to minors.

§ 14. Paragraph n of subdivision 1 of section 1399-o of the public health law, as amended by chapter 335 of the laws of 2017, is amended to read as follows:

n. general hospitals and residential health care facilities as defined in article twenty-eight of this chapter, hospitals and residential facilities licensed by or operated by the office of mental health pursuant to the mental hygiene law, and other health care facilities licensed by the state in which persons reside; provided, however, that the provisions of this subdivision shall not prohibit smoking [~~and vaping~~] by patients in separate enclosed rooms of residential health care facilities, adult care facilities established or certified under title two of article seven of the social services law, [~~community mental health residences established under section 41.44 of the mental hygiene law,~~] or facilities where day treatment programs are provided, which are designated as smoking [~~and vaping~~] rooms for patients of such facilities or programs;

§ 15. Subdivision 2 of section 1399-o of the public health law is amended by adding a new paragraph c to read as follows:

c. on the grounds of hospitals licensed by or operated by the office of mental health pursuant to the mental hygiene law.

§ 16. Section 399-gg of the general business law, as added by chapter 542 of the laws of 2014, is amended to read as follows:

§ 399-gg. Packaging of [~~electronic liquid~~] vapor products. 1. No person, firm or corporation shall sell or offer for sale any [~~electronic liquid~~] vapor products, as defined in [~~paragraph (e) of~~] subdivision [~~one~~] sixteen of section [~~thirteen hundred ninety-nine-cc~~] thirteen hundred ninety-nine-aa of the public health law, unless the [~~electronic liquid~~] vapor products is sold or offered for sale in a child resistant bottle which is designed to prevent accidental exposure of children to [~~electronic liquids~~] vapor products.

2. Any violation of this section shall be punishable by a civil penalty not to exceed one thousand dollars.

§ 17. The tax law is amended by adding a new article 28-C to read as follows:

ARTICLE 28-C
SUPPLEMENTAL TAX ON VAPOR PRODUCTS

§ 1180. Definitions. For the purposes of the taxes imposed by this article, the following terms shall mean:

(a) "Vapor product" means any noncombustible liquid or gel, regardless of the presence of nicotine therein, that is manufactured in to a finished product for use in an electronic cigarette, electronic cigar,

electronic cigarillo, electronic pipe, vaping pen, hookah pen or other similar device. "Vapor product" shall not include any product approved by the United States food and drug administration as a drug or medical device, or manufactured and dispensed pursuant to title five-A of article thirty-three of the public health law.

(b) "Vapor products dealer" means a person licensed by the commissioner to sell vapor products in this state.

§ 1181. Imposition of Tax. In addition to any other tax imposed by this chapter or other law, there is hereby imposed a tax of twenty percent on receipts from the retail sale of vapor products sold in this state. The tax is imposed on the purchaser and collected by the vapor products dealer as defined in subdivision (b) of section eleven hundred eighty of this article, in trust for and on account of the state.

§ 1182. Imposition of compensating use tax. (a) Except to the extent that vapor products have already been or will be subject to the tax imposed by section eleven hundred eighty-one of this article, or are otherwise exempt under this article, there is hereby imposed a use tax on every use within the state of vapor products: (1) purchased at retail; and (2) manufactured or processed by the user if items of the same kind are sold by him or her in the regular course of his or her business.

(b) For purposes of paragraph one of subdivision (a) of this section, the tax shall be at the rate of twenty percent of the consideration given or contracted to be given for such vapor product purchased at retail. For purposes of paragraph two of subdivision (a) of this section, the tax shall be at the rate of twenty percent of the price at which such items of the same kind of vapor product are offered for sale by the user, and the mere storage, keeping, retention or withdrawal from storage of such vapor product by the person that manufactured or processed such vapor product shall not be deemed a taxable use by him or her.

(c) The tax due pursuant to this section shall be paid and reported no later than twenty days after such use on a form prescribed by the commissioner.

§ 1183. Vapor products dealer registration and renewal. (a) Every person who intends to sell vapor products in this state must receive from the commissioner a certificate of registration prior to engaging in business. Such person must electronically submit a properly completed application for a certificate of registration for each location at which vapor products will be sold in this state, on a form prescribed by the commissioner, and shall be accompanied by a non-refundable application fee of three hundred dollars.

(b) A vapor products dealer certificate of registration shall be valid for the calendar year for which it is issued unless earlier suspended or revoked. Upon the expiration of the term stated on the certificate of registration, such certificate shall be null and void. A certificate of registration shall not be assignable or transferable and shall be destroyed immediately upon the vapor products dealer ceasing to do business as specified in such certificate or in the event that such business never commenced.

(c) Every vapor product dealer shall publicly display a vapor products dealer certificate of registration in each place of business in this state where vapor products are sold at retail. A vapor products dealer who has no regular place of business shall publicly display such valid certificate on each of its carts, stands, trucks or other merchandising devices through which it sells vapor products.

(d) (1) The commissioner shall refuse to issue a certificate of registration to any applicant who does not possess a valid certificate of authority under section eleven hundred thirty-four of this chapter. In addition, the commissioner may refuse to issue a certificate of registration, or suspend, cancel or revoke a certificate of registration issued to any person who: (A) has a past-due liability as that term is defined in section one hundred seventy-one-v of this chapter; (B) has had a certificate of registration under this article or any license or registration provided for in this chapter revoked within one year from the date on which such application was filed; (C) has been convicted of a crime provided for in this chapter within one year from the date on which such application was filed; (D) willfully fails to file a report or return required by this article; (E) willfully files, causes to be filed, gives or causes to be given a report, return, certificate or affidavit required by this article which is false; (F) willfully fails to collect or truthfully account for or pay over any tax imposed by this article; or (G) whose place of business is at the same premises as that of a person whose vapor products dealer registration has been revoked and where such revocation is still in effect, unless the applicant or vapor products dealer provides the commissioner with adequate documentation demonstrating that such applicant or vapor products dealer acquired the premises or business through an arm's length transaction as defined in paragraph (e) of subdivision one of section four hundred eighty-a of this chapter.

(2) In addition to the grounds provided in paragraph one of this subdivision, the commissioner shall refuse to issue a certificate of registration and shall cancel or suspend a certificate of registration as directed by an enforcement officer pursuant to article thirteen-F of the public health law. Notwithstanding any provision of law to the contrary, an applicant whose application for a certificate of registration is refused or a vapor products dealer whose registration is cancelled or suspended under this paragraph shall have no right to a hearing under this chapter and shall have no right to commence a court action or proceeding or to any other legal recourse against the commissioner with respect to such refusal, suspension or cancellation; provided, however, that nothing herein shall be construed to deny a vapor products dealer a hearing under article thirteen-F of the public health law or to prohibit vapor products dealers from commencing a court action or proceeding against an enforcement officer as defined in section thirteen hundred ninety-nine-aa of the public health law.

(e) If a vapor products dealer is suspended, cancelled or revoked and such vapor products dealer sells vapor products through more than one place of business in this state, the vapor products dealer's certificate of registration issued to that place of business, cart, stand, truck or other merchandising device, where such violation occurred, shall be suspended, revoked or cancelled. Provided, however, upon a vapor products dealer's third suspension, cancellation or revocation within a five-year period for any one or more businesses owned or operated by the vapor products dealer, such suspension, cancellation, or revocation of the vapor products dealer's certificate of registration shall apply to all places of business where he or she sells vapor products in this state.

(f) Every holder of a certificate of registration must notify the commissioner of changes to any of the information stated on the certificate or changes to any information contained in the application for the certificate of registration. Such notification must be made on or before

the last day of the month in which a change occurs and must be made electronically on a form prescribed by the commissioner.

(g) Every vapor products dealer who holds a certificate of registration under this article shall be required to reapply for a certificate of registration for the following calendar year on or before the twentieth day of September and such reapplication shall be subject to the same requirements and conditions, including grounds for refusal, as an initial registration under this article, including but not limited to the payment of the three hundred dollar application fee for each retail location.

(h) In addition to any other penalty imposed by this chapter, any vapor products dealer who violates the provisions of this section, (1) for a first violation is liable for a civil fine not less than five thousand dollars but not to exceed twenty-five thousand dollars and such certificate of registration may be suspended for a period of not more than six months; and (2) for a second or subsequent violation within three years following a prior violation of this section, is liable for a civil fine not less than ten thousand dollars but not to exceed thirty-five thousand dollars and such certificate of registration may be suspended for a period of up to thirty-six months; or (3) for a third violation within a period of five years, its vapor products certificate or certificates of registration issued to each place of business owned or operated by the vapor products dealer in this state, shall be revoked for a period of up to five years.

§ 1184. Administrative provisions. (a) Except as otherwise provided for in this article, the taxes imposed by this article shall be administered and collected in a like manner as and jointly with the taxes imposed by sections eleven hundred five and eleven hundred ten of this chapter. In addition, except as otherwise provided in this article, all of the provisions of article twenty-eight of this chapter (except sections eleven hundred seven, eleven hundred eight, eleven hundred nine, and eleven hundred forty-eight) relating to or applicable to the administration, collection and review of the taxes imposed by such sections eleven hundred five and eleven hundred ten, including, but not limited to, the provisions relating to definitions, returns, exemptions, penalties, tax secrecy, personal liability for the tax, and collection of tax from the customer, shall apply to the taxes imposed by this article so far as such provisions can be made applicable to the taxes imposed by this article with such limitations as set forth in this article and such modifications as may be necessary in order to adapt such language to the taxes so imposed. Such provisions shall apply with the same force and effect as if the language of those provisions had been set forth in full in this article except to the extent that any provision is either inconsistent with a provision of this article or is not relevant to the taxes imposed by this article.

(b) Notwithstanding the provisions of subdivision (a) of this section, the exemptions provided in paragraph ten of subdivision (a) of section eleven hundred fifteen of this chapter, and the provisions of section eleven hundred sixteen, except those provided in paragraphs one, two, three and six of subdivision (a) of such section, shall not apply to the taxes imposed by this article.

(c) Notwithstanding the provisions of this section or section eleven hundred forty-six of this chapter, the commissioner may, in his or her discretion, permit the commissioner of health or his or her authorized representative to inspect any return related to the tax imposed by this article and may furnish to the commissioner of health any such return

or supply him or her with information concerning an item contained in any such return, or disclosed by any investigation of a liability under this article.

§ 1185. Criminal penalties. The criminal penalties in sections eighteen hundred one through eighteen hundred seven and eighteen hundred seventeen of this chapter shall apply to this article with the same force and effect as if the language of those provisions had been set forth in full in this article except to the extent that any provision is either inconsistent with a provision of this article or is not relevant to the taxes imposed by this article.

§ 1186. Deposit and disposition of revenue. The taxes, interest, and penalties imposed by this article and collected or received by the commissioner shall be deposited daily with such responsible banks, banking houses or trust companies, as may be designated by the comptroller, to the credit of the comptroller in trust for the tobacco control and insurance initiatives pool established by section ninety-two-dd of the state finance law and distributed by the commissioner of health in accordance with section twenty-eight hundred seven-v of the public health law. Such deposits will be kept separate and apart from all other money in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected or received under this article, the comptroller shall retain such amount as the commissioner may determine to be necessary for refunds under this article. Provided, however that the commissioner is authorized and directed to deduct from the amounts he or she receives from the registration fees under section eleven hundred eighty-three of this article, before deposit into the tobacco control and insurance initiatives pool, a reasonable amount necessary to effectuate refunds of appropriations of the department to reimburse the department for the costs incurred to administer, collect and distribute the taxes imposed by this article.

§ 18. Subsection (a) of section 92-dd of the state finance law, as amended by section 3 of part T of chapter 61 of the laws of 2011, is amended to read as follows:

(a) On and after April first, two thousand five, such fund shall consist of the revenues heretofore and hereafter collected or required to be deposited pursuant to paragraph (a) of subdivision eighteen of section twenty-eight hundred seven-c, and sections twenty-eight hundred seven-j, twenty-eight hundred seven-s and twenty-eight hundred seven-t of the public health law, subdivision (b) of section four hundred eighty-two and section eleven hundred eighty-six of the tax law and required to be credited to the tobacco control and insurance initiatives pool, subparagraph (O) of paragraph four of subsection (j) of section four thousand three hundred one of the insurance law, section twenty-seven of part A of chapter one of the laws of two thousand two and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 19. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 20. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided, however that section seventeen of this act shall take effect on the first day of a quarterly period described in subdivision (b) of section 1136 of the tax law next commencing at least one hundred eighty days after this act shall become a law, and shall apply to sales and uses of vapor products on or after such date.

PART VV

Intentionally Omitted

PART WW

Section 1. Section 1166-a of the tax law, as added by section 1 of part F of chapter 25 of the laws of 2009, is amended to read as follows:

§ 1166-a. Special supplemental tax on passenger car rentals **within the metropolitan commuter transportation district**. (a) In addition to the tax imposed under section eleven hundred sixty of this article and in addition to any tax imposed under any other article of this chapter, there is hereby imposed and there shall be paid a tax at the rate of five percent upon the receipts from every rental of a passenger car which is a retail sale of such passenger car within the metropolitan commuter transportation district as defined in [~~subdivision~~] **subsection** (a) of section eight hundred of this chapter.

(b) Except to the extent that a passenger car rental described in subdivision (a) of this section**, or section eleven hundred sixty-six-b of this article,** has already been or will be subject to the tax imposed under such subdivision **or section** and except as otherwise exempted under this article, there is hereby imposed on every person and there shall be paid a use tax for the use within the metropolitan commuter transportation district as defined in [~~subdivision~~] **subsection** (a) of section eight hundred of this chapter; of any passenger car rented by the user [~~which~~] **that** is a purchase at retail of such passenger car, but not including any lease of a passenger car to which subdivision (i) of section eleven hundred eleven of this chapter applies. For purposes of this [~~paragraph~~] **subdivision**, the tax shall be at the rate of five percent of the consideration given or contracted to be given for such property, or for the use of such property, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section eleven hundred one of this chapter, but excluding any credit for tangible personal property accepted in part payment and intended for resale.

§ 2. The tax law is amended by adding a new section 1166-b to read as follows:

§ 1166-b. Special supplemental tax on passenger car rentals outside of the metropolitan commuter transportation district. (a) In addition to the tax imposed under section eleven hundred sixty of this article and in addition to any tax imposed under any other article of this chapter, there is hereby imposed and there shall be paid a tax at the rate of five percent upon the receipts from every rental of a passenger car that is not subject to the tax described in section eleven hundred sixty-six-a of this article, but which is a retail sale of such passenger car within the state.

(b) Except to the extent that a passenger car rental described in subdivision (a) of this section or in section eleven hundred

sixty-six-a of this article, has already been subject to the tax imposed under such subdivision or section, and except as otherwise exempted under this article, there is hereby imposed on every person and there shall be paid a use tax for the use within the state of any passenger car rented by the user that is a purchase at retail of such passenger car, but not including any lease of a passenger car to which subdivision (i) of section eleven hundred eleven of this chapter applies. For purposes of this subdivision, the tax shall be at the rate of five percent of the consideration given or contracted to be given for such property, or for the use of such property, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section eleven hundred one of this chapter, but excluding any credit for tangible personal property accepted in part payment and intended for resale.

§ 3. Section 1167 of the tax law, as amended by section 3 of part F of chapter 25 of the laws of 2009, is amended to read as follows:

§ 1167. Deposit and disposition of revenue. All taxes, interest and penalties collected or received by the commissioner under this article shall be deposited and disposed of pursuant to the provisions of section one hundred seventy-one-a of this chapter, except that after reserving amounts in accordance with such section one hundred seventy-one-a of this chapter, the remainder shall be paid by the comptroller to the credit of the highway and bridge trust fund established by section eighty-nine-b of the state finance law, provided, however[~~,~~]: (a) taxes, interest and penalties collected or received pursuant to section eleven hundred sixty-six-a of this article shall be paid to the credit of the metropolitan transportation authority aid trust account of the metropolitan transportation authority financial assistance fund established by section ninety-two-ff of the state finance law; and (b) taxes, interest and penalties collected or received pursuant to section eleven hundred sixty-six-b of this article shall be paid to the credit of the public transportation systems operating assistance account established by section eighty-eight-a of the state finance law.

§ 4. This act shall take effect May 1, 2019, and shall apply to rentals of passenger cars commencing on and after such date whether or not under a prior contract; provided, however where such passenger car rentals are billed on a monthly, quarterly or other period basis, the tax imposed by this act shall apply to the rental for such period if more than half of the days included in such period are days subsequent to such effective date.

PART XX

Section 1. The tax law is amended by adding a new article 20-D to read as follows:

ARTICLE 20-D

EXCISE TAX ON SALE OF OPIOIDS

Section 497. Definitions.

498. Imposition of excise tax.

499. Returns to be secret.

§ 497. Definitions. The following terms shall have the following meanings when used in this article.

(a) "Opioid" shall mean an "opiate" as defined by subdivision twenty-three of section thirty-three hundred two of the public health law and any natural, synthetic, or semisynthetic "narcotic drug" as defined by subdivision twenty-two of such section that has agonist, partial agon-

ist, or agonist/antagonist morphine-like activities or effects similar to natural opium alkaloids, and any derivative, congener, or combination thereof listed in schedules II-V of section thirty-three hundred six of the public health law. The term "opioid" shall not mean buprenorphine, methadone, or morphine.

(b) "Unit" shall mean a single finished dosage form of an opioid, such as a pill, tablet, capsule, suppository, transdermal patch, buccal film, milliliter of liquid, milligram of topical preparation, or any other form.

(c) "Strength per unit" shall mean the amount of opioid in a unit, as measured by weight, volume, concentration or other metric.

(d) "Morphine milligram equivalent conversion factor" shall mean that reference standard of a particular opioid as it relates in potency to morphine as determined by the commissioner of health.

(e) "Morphine milligram equivalent" shall mean a unit multiplied by its strength per unit multiplied by the morphine milligram equivalent conversion factor.

(f) "Registrant" shall mean any person, firm, corporation or association required to be registered with the education department as a wholesaler, manufacturer, or outsourcing facility pursuant to section sixty-eight hundred eight or section sixty-eight hundred eight-b of the education law, as well as any person, firm, corporation or association that would be required to be registered with the education department as a wholesaler, manufacturer, or outsourcing facility pursuant to such section sixty-eight hundred eight-b but for the exception in subdivision two of such section; and any person, firm, corporation or association required to be registered with the health department as a manufacturer or distributor of a controlled substance pursuant to section thirty-three hundred ten of the public health law.

(g) "Wholesale acquisition cost" shall mean the manufacturer's list price for an opioid unit to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates or reductions in price, for the most recent month for which the information is available, as reported in wholesale price guides or other publications of drug or biological pricing data.

(h) "Sale" shall mean any transfer of title to an opioid for a consideration where actual or constructive possession of such opioid is transferred to the purchaser or its designee in this state. A sale shall not include the dispensing of an opioid pursuant to a prescription to an ultimate consumer.

§ 498. Imposition of excise tax. (a) There is hereby imposed an excise tax on the first sale of any opioid in the state at the following rates: (1) a quarter of a cent per morphine milligram equivalent where the wholesale acquisition cost is less than fifty cents, or (2) one and one-half cents per morphine milligram equivalent where the wholesale acquisition cost is fifty cents or more. The tax imposed by this article shall be charged against and paid by the registrant making such first sale, and shall accrue at the time of such sale. The economic incidence of the tax imposed by this article may be passed to a purchaser. For the purpose of the proper administration of this article and to prevent evasion of the tax hereby imposed, it shall be presumed that any sale of an opioid in this state by a registrant is the first sale of such in the state until the contrary is established, and the burden of proving that any sale is not the first sale in the state shall be upon the registrant.

(b) Every registrant liable for the tax imposed by this article shall file with the commissioner a return on forms to be prescribed by the commissioner showing the total morphine milligram equivalent and wholesale acquisition costs of such opioids that are subject to the tax imposed by this article, the amount of tax due thereon, and such further information as the commissioner may require. Such returns shall be filed for quarterly periods ending on the last day of March, June, September and December of each year. Each return shall be filed within twenty days after the end of such quarterly period and shall cover all opioid sales in the state made in the prior quarter, except that the first return required to be filed pursuant to this section shall be due on January twentieth, two thousand twenty, and shall cover all opioid sales occurring in the period between the effective date of this article and December thirty-first, two thousand nineteen. Every registrant required to file a return under this section shall, at the time of filing such return, pay to the commissioner the total amount of tax due for the period covered by such return. If a return is not filed when due, the tax shall be due the day on which the return is required to be filed. The commissioner may require that the returns and payments required by this section be filed or paid electronically.

(c) Where a sale of an opioid by a registrant has been cancelled by the purchaser and tax under this article has previously been paid by the registrant, the commissioner shall allow a credit or refund of such tax on a return for a later period within the limitations period for claiming a credit or refund as prescribed by section one thousand eighty-seven of this chapter.

(d) All sales slips, invoices, receipts, or other statements or memoranda of sale from any sale or purchase of opioids by registrants must be retained for a period of six years after the due date of the return to which they relate, unless the commissioner provides for a different retention period by rule or regulation. Such records must be sufficient to determine the number of units transferred along with the morphine milligram equivalent of the units transferred, and otherwise be suitable to determine the correct amount of tax due. Such records must also record either (1) the address from which the units are shipped or delivered, along with the address to which the units are shipped or delivered, or (2) the place at which actual physical possession of the units is transferred. Such records shall be produced upon demand by the commissioner.

(e) The provisions of article twenty-seven of this chapter shall apply to the tax imposed by this article in the same manner and with the same force and effect as if the language of such article had been incorporated in full into this article and had expressly referred to the tax imposed by this article, except to the extent that any provision of such article twenty-seven is either inconsistent with a provision of this article or is not relevant to this article.

(f) The commissioners of education and health shall cooperate with the commissioner in administering this tax, including sharing with the commissioner pertinent information about registrants upon the request of the commissioner.

(g) Each registrant shall provide a report to the department of health detailing all opioids sold by such registrant in the state of New York. Such report shall include:

(i) the registrant's name, address, phone number, federal Drug Enforcement Agency (DEA) registration number, education department

registration number, and controlled substance license number issued by the department of health, if applicable;

(ii) the name, address and DEA registration number of the entity to whom the opioid was sold;

(iii) the date of the sale of the opioid;

(iv) the gross receipt total, in dollars, for each opioid sold;

(v) the name and National Drug Code of the opioid sold;

(vi) the number of containers and the strength and metric quantity of controlled substance in each container of the opioid sold;

(vii) the total number of morphine milligram equivalents sold; and

(viii) any other elements as deemed necessary by the commissioner of health.

Such information shall be reported annually in such form as defined by the commissioner of health and shall not be subject to the provisions of section four hundred ninety-nine of this article.

§ 499. Returns to be secret. (a) Except in accordance with a proper judicial order or as otherwise provided for by law, it shall be unlawful for the commissioner, any officer or employee of the department, or any person engaged or retained by such department on an independent contract basis or any other person who in any manner may acquire knowledge of the contents of a return or report filed pursuant to this article to divulge or make known in any manner the contents or any other information relating to the business of a registrant contained in any return or report required under this article. The officers charged with the custody of such returns or reports shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the state, the state department of health, the state department of education or the commissioner in an action or proceeding under the provisions of this chapter or on behalf of the state or the commissioner in any other action or proceeding involving the collection of a tax due under this chapter to which the state or the commissioner is a party or a claimant or on behalf of any party to any action or proceeding under the provisions of this article, when the returns or the reports or the facts shown thereby are directly involved in such action or proceeding, in any of which events the court may require the production of, and may admit in evidence so much of said returns or reports or of the facts shown thereby as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the commissioner, in his or her discretion, from allowing the inspection or delivery of a certified copy of any return or report filed under this article, or from providing any information contained in any such return or report, by or to a duly authorized officer or employee of the state department of health or the state department of education; nor to prohibit the inspection or delivery of a certified copy of any return or report filed under this article, or the provision of any information contained therein, by or to the attorney general or other legal representatives of the state when an action shall have been recommended or commenced pursuant to this chapter in which such returns or reports or the facts shown thereby are directly involved; nor to prohibit the commissioner from providing or certifying to the division of budget or the comptroller the total number of returns or reports filed under this article in any reporting period and the total collections received therefrom; nor to prohibit the inspection of the returns or reports required under this article by the comptroller or duly designated officer or employee of the state department of audit and control, for purposes of the audit of a refund of any

tax paid by a registrant or other person under this article; nor to prohibit the delivery to a registrant, or a duly authorized representative of such registrant, a certified copy of any return or report filed by such registrant pursuant to this article, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns or reports and the items thereof.

(b)(1) Any officer or employee of the state who willfully violates the provisions of subdivision (a) of this section shall be dismissed from office and be incapable of holding any public office in this state for a period of five years thereafter.

(2) Cross-reference: For criminal penalties, see article thirty-seven of this chapter.

§ 2. Section 1825 of the tax law, as amended by section 3 of part NNN of chapter 59 of the laws of 2018, is amended to read as follows:

§ 1825. Violation of secrecy provisions of the tax law.--Any person who violates the secrecy provisions of [~~subdivision (b) of section twenty-one, subdivision one of section two hundred two, subdivision eight of section two hundred eleven, subdivision (a) of section three hundred fourteen, subdivision one or two of section four hundred thirty-seven, section four hundred eighty-seven, subdivision one or two of section five hundred fourteen, subsection (e) of section six hundred ninety-seven, subsection (a) of section nine hundred ninety-four, subdivision (a) of section eleven hundred forty-six, section twelve hundred eighty-seven, section twelve hundred ninety-six, section twelve hundred ninety-nine-F, subdivision (a) of section fourteen hundred eighteen, subdivision (a) of section fifteen hundred eighteen, subdivision (a) of section fifteen hundred fifty-five of~~] this chapter[~~, and~~] or subdivision (e) of section 11-1797 of the administrative code of the city of New York shall be guilty of a misdemeanor.

§ 3. Subdivision 1 of section 171-a of the tax law, as amended by section 3 of part MM of chapter 59 of the laws of 2018, is amended to read as follows:

1. All taxes, interest, penalties and fees collected or received by the commissioner or the commissioner's duly authorized agent under articles nine (except section one hundred eighty-two-a thereof and except as otherwise provided in section two hundred five thereof), nine-A, twelve-A (except as otherwise provided in section two hundred eighty-four-d thereof), thirteen, thirteen-A (except as otherwise provided in section three hundred twelve thereof), eighteen, nineteen, twenty (except as otherwise provided in section four hundred eighty-two thereof), twenty-B, twenty-D, twenty-one, twenty-two, twenty-four, twenty-six, twenty-eight (except as otherwise provided in section eleven hundred two or eleven hundred three thereof), twenty-eight-A, twenty-nine-B, thirty-one (except as otherwise provided in section fourteen hundred twenty-one thereof), thirty-three and thirty-three-A of this chapter shall be deposited daily in one account with such responsible banks, banking houses or trust companies as may be designated by the comptroller, to the credit of the comptroller. Such an account may be established in one or more of such depositories. Such deposits shall be kept separate and apart from all other money in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected or received under such articles of this chapter, the comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds or reimbursements under such articles of this chapter out of which amount the comptroller shall pay any refunds or

reimbursements to which taxpayers shall be entitled under the provisions of such articles of this chapter. The commissioner and the comptroller shall maintain a system of accounts showing the amount of revenue collected or received from each of the taxes imposed by such articles. The comptroller, after reserving the amount to pay such refunds or reimbursements, shall, on or before the tenth day of each month, pay into the state treasury to the credit of the general fund all revenue deposited under this section during the preceding calendar month and remaining to the comptroller's credit on the last day of such preceding month, (i) except that the comptroller shall pay to the state department of social services that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against past-due support pursuant to subdivision six of section one hundred seventy-one-c of this article, (ii) and except that the comptroller shall pay to the New York state higher education services corporation and the state university of New York or the city university of New York respectively that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against the amount of defaults in repayment of guaranteed student loans and state university loans or city university loans pursuant to subdivision five of section one hundred seventy-one-d and subdivision six of section one hundred seventy-one-e of this article, (iii) and except further that, notwithstanding any law, the comptroller shall credit to the revenue arrearage account, pursuant to section ninety-one-a of the state finance law, that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter, and any interest thereon, which is certified to the comptroller by the commissioner as the amount to be credited against a past-due legally enforceable debt owed to a state agency pursuant to paragraph (a) of subdivision six of section one hundred seventy-one-f of this article, provided, however, he shall credit to the special offset fiduciary account, pursuant to section ninety-one-c of the state finance law, any such amount creditable as a liability as set forth in paragraph (b) of subdivision six of section one hundred seventy-one-f of this article, (iv) and except further that the comptroller shall pay to the city of New York that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any interest thereon that is certified to the comptroller by the commissioner as the amount to be credited against city of New York tax warrant judgment debt pursuant to section one hundred seventy-one-l of this article, (v) and except further that the comptroller shall pay to a non-obligated spouse that amount of overpayment of tax imposed by article twenty-two of this chapter and the interest on such amount which has been credited pursuant to section one hundred seventy-one-c, one hundred seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or one hundred seventy-one-l of this article and which is certified to the comptroller by the commissioner as the amount due such non-obligated spouse pursuant to paragraph six of subsection (b) of section six hundred fifty-one of this chapter; and (vi) the comptroller shall deduct a like amount which the comptroller shall pay into the treasury to the credit of the general fund from amounts subsequently payable to the department of social services, the state university of New York, the city university of New York, or the higher education services corporation, or the revenue

arrearage account or special offset fiduciary account pursuant to section ninety-one-a or ninety-one-c of the state finance law, as the case may be, whichever had been credited the amount originally withheld from such overpayment, and (vii) with respect to amounts originally withheld from such overpayment pursuant to section one hundred seventy-one-l of this article and paid to the city of New York, the comptroller shall collect a like amount from the city of New York.

§ 4. Subdivision 1 of section 171-a of the tax law, as amended by section 4 of part MM of chapter 59 of the laws of 2018, is amended to read as follows:

1. All taxes, interest, penalties and fees collected or received by the commissioner or the commissioner's duly authorized agent under articles nine (except section one hundred eighty-two-a thereof and except as otherwise provided in section two hundred five thereof), nine-A, twelve-A (except as otherwise provided in section two hundred eighty-four-d thereof), thirteen, thirteen-A (except as otherwise provided in section three hundred twelve thereof), eighteen, nineteen, twenty (except as otherwise provided in section four hundred eighty-two thereof), **twenty-D,** twenty-one, twenty-two, twenty-four, twenty-six, twenty-eight (except as otherwise provided in section eleven hundred two or eleven hundred three thereof), twenty-eight-A, twenty-nine-B, thirty-one (except as otherwise provided in section fourteen hundred twenty-one thereof), thirty-three and thirty-three-A of this chapter shall be deposited daily in one account with such responsible banks, banking houses or trust companies as may be designated by the comptroller, to the credit of the comptroller. Such an account may be established in one or more of such depositories. Such deposits shall be kept separate and apart from all other money in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected or received under such articles of this chapter, the comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds or reimbursements under such articles of this chapter out of which amount the comptroller shall pay any refunds or reimbursements to which taxpayers shall be entitled under the provisions of such articles of this chapter. The commissioner and the comptroller shall maintain a system of accounts showing the amount of revenue collected or received from each of the taxes imposed by such articles. The comptroller, after reserving the amount to pay such refunds or reimbursements, shall, on or before the tenth day of each month, pay into the state treasury to the credit of the general fund all revenue deposited under this section during the preceding calendar month and remaining to the comptroller's credit on the last day of such preceding month, (i) except that the comptroller shall pay to the state department of social services that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against past-due support pursuant to subdivision six of section one hundred seventy-one-c of this article, (ii) and except that the comptroller shall pay to the New York state higher education services corporation and the state university of New York or the city university of New York respectively that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against the amount of defaults in repayment of guaranteed student loans and state university loans or city university loans pursuant to subdivision five of section one

hundred seventy-one-d and subdivision six of section one hundred seventy-one-e of this article, (iii) and except further that, notwithstanding any law, the comptroller shall credit to the revenue arrearage account, pursuant to section ninety-one-a of the state finance law, that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter, and any interest thereon, which is certified to the comptroller by the commissioner as the amount to be credited against a past-due legally enforceable debt owed to a state agency pursuant to paragraph (a) of subdivision six of section one hundred seventy-one-f of this article, provided, however, he shall credit to the special offset fiduciary account, pursuant to section ninety-one-c of the state finance law, any such amount creditable as a liability as set forth in paragraph (b) of subdivision six of section one hundred seventy-one-f of this article, (iv) and except further that the comptroller shall pay to the city of New York that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any interest thereon that is certified to the comptroller by the commissioner as the amount to be credited against city of New York tax warrant judgment debt pursuant to section one hundred seventy-one-l of this article, (v) and except further that the comptroller shall pay to a non-obligated spouse that amount of overpayment of tax imposed by article twenty-two of this chapter and the interest on such amount which has been credited pursuant to section one hundred seventy-one-c, one hundred seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or one hundred seventy-one-l of this article and which is certified to the comptroller by the commissioner as the amount due such non-obligated spouse pursuant to paragraph six of subsection (b) of section six hundred fifty-one of this chapter; and (vi) the comptroller shall deduct a like amount which the comptroller shall pay into the treasury to the credit of the general fund from amounts subsequently payable to the department of social services, the state university of New York, the city university of New York, or the higher education services corporation, or the revenue arrearage account or special offset fiduciary account pursuant to section ninety-one-a or ninety-one-c of the state finance law, as the case may be, whichever had been credited the amount originally withheld from such overpayment, and (vii) with respect to amounts originally withheld from such overpayment pursuant to section one hundred seventy-one-l of this article and paid to the city of New York, the comptroller shall collect a like amount from the city of New York.

§ 5. This act shall take effect July 1, 2019; provided, however, that the amendments to subdivision 1 of section 171-a of the tax law made by section three of this act shall not affect the expiration of such subdivision and shall expire therewith, when upon such date the provisions of section four of this act shall take effect.

PART YY

Intentionally omitted

PART ZZ

Section 1. Section 1367 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

§ 1367. Sports wagering. 1. As used in this section:

(a) **"Agent" means an entity that is party to a contract with a casino authorized to operate a sports pool and is approved by the commission to operate a sports pool on behalf of such casino;**

(b) "Authorized sports bettor" means an individual who is physically present in this state when placing a sports wager, who is not a prohibited sports bettor, that participates in sports wagering offered by a casino. The intermediate routing of electronic data in connection with mobile sports wagering shall not determine the location or locations in which a wager is initiated, received or otherwise made;

(c) "Brand" means the name and logo on the interface of a mobile application or internet website accessed via a mobile device or computer which authorized sports bettors use to access a sports betting platform;

(d) "Casino" means a licensed gaming facility at which gambling is conducted pursuant to the provisions of this article;

[~~(b)~~] **(e)** "Commission" means the commission established pursuant to section one hundred two of this chapter;

[~~(c)~~] **(f)** "Collegiate sport or athletic event" means a sport or athletic event offered or sponsored by or played in connection with a public or private institution that offers educational services beyond the secondary level;

(g) "Exchange wagering" means a form of wagering in which an authorized sports bettor, on the one hand, and one or more authorized sports bettors, a casino or an agent or an operator, on the other hand place identically opposing sports wagers on an exchange operated by a casino or an agent or an operator;

(h) "Global risk management" means the direction, management, consultation and/or instruction for purposes of managing risks associated with sports wagering conducted pursuant to this section and includes the setting and adjustment of betting lines, point spreads, or odds and whether to place layoff bets as permitted by this section;

[~~(d)~~] **(i) "High school sport or athletic event" means a sport or athletic event offered or sponsored by or played in connection with a public or private institution that offers education services at the secondary level;**

(j) "In-play sports wager" means a sports wager placed on a sports event after the sports event has begun and before it ends;

(k) "Layoff bet" means a sports wager placed by a casino sports pool with another casino sports pool;

(l) "Minor" means any person under the age of twenty-one years;

(m) "Mobile sports wagering platform" or "platform" means the combination of hardware, software, and data networks used to manage, administer, or control sports wagering and any associated wagers accessible by any electronic means including mobile applications and internet websites accessed via a mobile device or computer;

(n) "Operator" means a casino which has elected to operate a sports pool **or the agent of such casino**;

[~~(e)~~] **(o)** "Professional sport or athletic event" means an event at which two or more persons participate in sports or athletic events and receive compensation in excess of actual expenses for their participation in such event;

(p) "Prohibited sports bettor" means:

(i) any officer or employee of the commission;

(ii) any principal or key employee of a casino or operator, except as may be permitted by the commission for good cause shown;

(iii) any casino gaming or non-gaming employee at the casino that employs such person and at any operator that has an agreement with that casino;

(iv) any contractor, subcontractor, or consultant, or officer or employee of a contractor, subcontractor, or consultant, of a casino if such person is directly involved in the operation or observation of sports wagering, or the processing of sports wagering claims or payments;

(v) Any person subject to a contract with the commission if such contract contains a provision prohibiting such person from participating in sports wagering;

(vi) Any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any of the foregoing persons at the same casino where the foregoing person is prohibited from participating in sports wagering;

(vii) any individual with access to non-public confidential information about sports wagering;

(viii) any amateur or professional athlete if the sports wager is based on any sport or athletic event overseen by the athlete's sports governing body;

(ix) any sports agent, owner or employee of a team, player and umpire union personnel, and employee referee, coach or official of a sports governing body, if the sports wager is based on any sport or athletic event overseen by the individual's sports governing body;

(x) any individual placing a wager as an agent or proxy for an otherwise prohibited sports bettor; or

(xi) any minor;

[~~(f)~~] (q) "Prohibited sports event" means any collegiate sport or athletic event that takes place in New York or a sport or athletic event in which any New York college team participates regardless of where the event takes place, or high school sport or athletic event;

[~~(g)~~] (r) "Registered sports governing body" means a sports governing body that is headquartered in the United States and who has registered with the commission to receive royalty fee revenue in such form as the commission may require;

(s) "Sports event" means any professional sport or athletic event and any collegiate sport or athletic event, except a prohibited sports event or a horse racing event;

[~~(h)~~] (t) "Sports governing body" means the organization that prescribes final rules and enforces codes of conduct with respect to a sporting event and participants therein;

(u) "Sports pool" means the business of accepting wagers on any sports event by any system or method of wagering; [~~and~~

~~(i)~~] (v) "Sports wager" means cash or cash equivalent that is paid by an authorized sports bettor to a casino to participate in sports wagering offered by such casino;

(w) "Sports wagering" means wagering on sporting events or any portion thereof, or on the individual performance statistics of athletes participating in a sporting event, or combination of sporting events, by any system or method of wagering, including, but not limited to, in-person communication and electronic communication through internet websites accessed via a mobile device or computer and mobile device applications. Any wager through electronic communication is deemed made at the physical location of the server or other equipment used by an operator to accept mobile sports wagering. The term "sports wagering" shall include, but is not limited to, single-game bets, teaser bets, parlays,

over-under bets, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets and straight bets;

(x) "Sports wagering gross revenue" means: (i) the amount equal to the total of all sports wagers not attributable to prohibited sports events that an operator collects from all players, less the total of all sums not attributable to prohibited sports events paid out as winnings to all sports bettors, however, that the total of all sums paid out as winnings to sports bettors shall not include the cash equivalent value of any merchandise or thing of value awarded as a prize, or (ii) in the case of exchange wagering pursuant to this section, the commission on winning sports wagers by authorized sports bettors retained by the operator. The issuance to or wagering by authorized sports bettors at a casino of any promotional gaming credit shall not be taxable for the purposes of determining sports wagering gross revenue;

(y) "Sports wagering lounge" means an area wherein a sports pool is operated.

2. [~~No gaming facility may conduct sports wagering until such time as there has been a change in federal law authorizing such or upon a ruling of a court of competent jurisdiction that such activity is lawful.~~

~~3.~~] (a) In addition to authorized gaming activities, a [~~licensed gaming facility~~] casino may when authorized by subdivision two of this section operate a sports pool upon the approval of the commission and in accordance with the provisions of this section and applicable regulations promulgated pursuant to this article. The commission shall hear and decide promptly and in reasonable order all applications for a license to operate a sports pool, shall have the general responsibility for the implementation of this section and shall have all other duties specified in this section with regard to the operation of a sports pool. The license to operate a sports pool shall be in addition to any other license required to be issued to operate a [~~gaming facility~~] casino. No license to operate a sports pool shall be issued by the commission to any entity unless it has established its financial stability, integrity and responsibility and its good character, honesty and integrity.

No later than five years after the date of the issuance of a license and every five years thereafter or within such lesser periods as the commission may direct, a licensee shall submit to the commission such documentation or information as the commission may by regulation require, to demonstrate to the satisfaction of the executive director of the commission that the licensee continues to meet the requirements of the law and regulations.

(b) As a condition of licensure the commission shall require that each licensee authorized to conduct sports wagering pay a one-time fee of fifteen million dollars. Such fee shall be paid within thirty days of gaming commission approval prior to license issuance and deposited into the commercial gaming revenue fund established pursuant to section thirteen hundred fifty-two of this article.

(c) A sports pool shall be operated in a sports wagering lounge located at a casino. The lounge shall conform to all requirements concerning square footage, design, equipment, security measures and related matters which the commission shall by regulation prescribe.

[~~(c)~~] (d) The operator of a sports pool shall establish or display the odds at which wagers may be placed on sports events.

[~~(d)~~] (e) An operator shall accept wagers on sports events only from persons physically present in the sports wagering lounge, or through mobile sports wagering offered pursuant to section thirteen hundred

sixty-seven-a of this title. A person placing a wager shall be at least twenty-one years of age.

[~~(e)~~] (f) An operator may also accept layoff bets as long as the authorized sports pool places such wagers with another authorized sports pool or pools in accordance with regulations of the commission. A sports pool that places a layoff bet shall inform the sports pool accepting the wager that the wager is being placed by a sports pool and shall disclose its identity.

(g) An operator may utilize global risk management pursuant to the approval of the commission.

(h) An operator shall not admit into the sports wagering lounge, or accept wagers from, any person whose name appears on the exclusion list.

[~~(f)~~] (i) The holder of a license to operate a sports pool may contract with [~~an entity~~] an agent to conduct any or all aspects of that operation, or the operation of mobile sports wagering offered pursuant to section thirteen hundred sixty-seven-a of this title, including but not limited to brand, marketing and customer service, in accordance with the regulations of the commission. [~~That entity~~] Each agent shall obtain a license as a casino vendor enterprise prior to the execution of any such contract, and such license shall be issued pursuant to the provisions of section one thousand three hundred twenty-seven of this article and in accordance with the regulations promulgated by the commission.

[~~(g)~~] (j) If any provision of this article or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this article which can be given effect without the invalid provision or application, and to this end the provisions of this article are severable.

[~~4.~~] 3. (a) All persons employed directly in wagering-related activities conducted within a sports wagering lounge shall be licensed as a casino key employee or registered as a gaming employee, as determined by the commission. All other employees who are working in the sports wagering lounge may be required to be registered, if appropriate, in accordance with regulations of the commission.

(b) Each operator of a sports pool shall designate one or more casino key employees who shall be responsible for the operation of the sports pool. At least one such casino key employee shall be on the premises whenever sports wagering is conducted.

[~~5.~~] 4. Except as otherwise provided by this article, the commission shall have the authority to regulate sports pools and the conduct of sports wagering under this article to the same extent that the commission regulates other gaming. No casino shall be authorized to operate a sports pool unless it has produced information, documentation, and assurances concerning its financial background and resources, including cash reserves, that are sufficient to demonstrate that it has the financial stability, integrity, and responsibility to operate a sports pool. In developing rules and regulations applicable to sports wagering, the commission shall examine the regulations implemented in other states where sports wagering is conducted and shall, as far as practicable, adopt a similar regulatory framework. The commission shall promulgate regulations necessary to carry out the provisions of this section, including, but not limited to, regulations governing the:

(a) amount of cash reserves to be maintained by operators to cover winning wagers;

(b) acceptance of wagers on a series of sports events;

(c) maximum wagers which may be accepted by an operator from any one patron on any one sports event;
(d) type of wagering tickets which may be used;
(e) method of issuing tickets;
(f) method of accounting to be used by operators;
(g) types of records which shall be kept;
(h) use of credit and checks by patrons;
(i) **the process by which a casino may place a layoff bet;**
(j) the use of global risk management;
(k) type of system for wagering; and
[~~(j)~~] **(l)** protections for a person placing a wager.
[~~6.~~] **5.** Each operator shall adopt comprehensive house rules governing sports wagering transactions with its [~~patrons~~] **authorized sports bettors**. The rules shall specify the amounts to be paid on winning wagers and the effect of schedule changes. The house rules, together with any other information the commission deems appropriate, shall be conspicuously displayed in the sports wagering lounge and included in the terms and conditions of the account wagering system, and copies shall be made readily available to patrons.
6. (a) Each casino that offers sports wagering shall annually submit a report to the commission no later than the twenty-eighth of February of each year, which shall include the following information:
(i) the total amount of sports wagers received from authorized sports bettors;
(ii) the total amount of prizes awarded to authorized sports bettors;
(iii) the total amount of sports wagering gross revenue received by the casino;
(iv) the total amount contributed in sports betting royalty revenue pursuant to subdivision eight of this section;
(v) the total amount of wagers received on each sports governing body's sporting events;
(vi) the number of accounts held by authorized sports bettors;
(vii) the total number of new accounts established in the preceding year, as well as the total number of accounts permanently closed in the preceding year;
(viii) the total number of authorized sports bettors that requested to exclude themselves from sports wagering; and
(ix) any additional information that the commission deems necessary to carry out the provisions of this article.
(b) Upon the submission of such annual report, to such extent that the commission deems it to be in the public interest, the commission shall be authorized to conduct a financial audit of any casino, at any time, to ensure compliance with this article.
(c) The commission shall annually publish a report based on the aggregate information provided by all casinos pursuant to paragraph (a) of this subdivision, which shall be published on the commission's website no later than one hundred eighty days after the deadline for the submission of individual reports as specified in such paragraph (a).
7. (a) Within thirty days of the end of each calendar quarter, a casino offering sports wagering shall remit to the commission a sports wagering royalty fee of one-fifth (.20) of one percent of the amount wagered on sports events conducted by registered sports governing bodies. The fee shall be remitted on a form as the commission may require, on which the casino shall identify the percentage of wagering during the reporting period attributable to each registered sport governing body's sports events.

(b) No later than the thirtieth of April of each year, a registered sports governing body may submit a claim for disbursement of the royalty fee funds remitted by casinos in the previous calendar year on their respective sports events. Within thirty days of submitting its claim for disbursement, the registered sports governing body shall meet with the commission to provide the commission with evidence of policies, procedures and training programs it has implemented to protect the integrity of its sports events.

(c) Within thirty days of its meeting with the registered sports governing body, the commission shall approve a timely claim for disbursement.

8. For the privilege of conducting sports wagering in the state, casinos shall pay a tax equivalent to eight and one-half percent of their sports wagering gross revenue.

9. The commission shall pay into the commercial gaming revenue fund established pursuant to section ninety-seven-nnnn of the state finance law eighty-five percent of the state tax imposed by this section; any interest and penalties imposed by the commission relating to those taxes; all penalties levied and collected by the commission; and the appropriate funds, cash or prizes forfeited from sports wagering. The commission shall pay into the commercial gaming fund five percent of the state tax imposed by this section to be distributed for problem gambling education and treatment purposes pursuant to paragraph a of subdivision four of section ninety-seven-nnnn of the state finance law. The commission shall pay into the commercial gaming fund five percent of the state tax imposed by this section to be distributed for the cost of regulation pursuant to paragraph c of subdivision four of section ninety-seven-nnnn of the state finance law. The commission shall pay into the commercial gaming fund five percent of the state tax imposed by this section to be distributed in the same formula as market origin credits pursuant to section one hundred fifteen-b of this chapter. The commission shall require at least monthly deposits by the casino of any payments pursuant to subdivision eight of this section, at such times, under such conditions, and in such depositories as shall be prescribed by the state comptroller. The deposits shall be deposited to the credit of the state commercial gaming revenue fund. The commission shall require a monthly report and reconciliation statement to be filed with it on or before the tenth day of each month, with respect to gross revenues and deposits received and made, respectively, during the preceding month.

10. The commission may perform audits of the books and records of a casino, at such times and intervals as it deems appropriate, for the purpose of determining the sufficiency of tax payments. If a return required with regard to obligations imposed is not filed, or if a return when filed or is determined by the commission to be incorrect or insufficient with or without an audit, the amount of tax due shall be determined by the commission. Notice of such determination shall be given to the casino liable for the payment of the tax. Such determination shall finally and irrevocably fix the tax unless the casino against whom it is assessed, within thirty days after receiving notice of such determination, shall apply to the commission for a hearing in accordance with the regulations of the commission.

11. Nothing in this section shall apply to interactive fantasy sports offered pursuant to article fourteen of this chapter. Nothing in this section authorizes any entity that conducts interactive fantasy sports offered pursuant to article fourteen of this chapter to conduct sports

wagering unless it separately qualifies for, and obtains, authorization pursuant to this section.

12. A sports governing body may notify the commission that it desires to restrict, limit, or exclude wagering on its sporting events by providing notice in the form and manner as the commission may require. Upon receiving such notice, the commission shall review the request in good faith, seek input from the casinos on such a request, and if the commission deems it appropriate, promulgate regulations to restrict such sports wagering. If the commission denies a request, the sports governing body shall be afforded notice and the right to be heard and offer proof in opposition to such determination in accordance with the regulations of the commission. Offering or taking wagers contrary to restrictions promulgated by the commission is a violation of this section. In the event that the request is in relation to an emergency situation, the executive director of the commission may temporarily prohibit the specific wager in question until the commission has the opportunity to issue temporary regulations addressing the issue.

13. (a) The commission shall designate the division of the state police to have primary responsibility for conducting, or assisting the commission in conducting, investigations into abnormal betting activity, match fixing, and other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain.

(b) Casinos shall maintain records of sports wagering operations in accordance with regulations promulgated by the commission. These regulations shall, at a minimum, require a casino to adopt procedures to obtain personally identifiable information from any individual who places any single wager in an amount of ten thousand dollars or greater.

(c) The commission shall cooperate with a sports governing body and casinos to ensure the timely, efficient, and accurate sharing of information.

(d) The commission and casinos shall cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including but not limited to providing or facilitating the provision of account-level betting information and audio or video files relating to persons placing wagers; provided, however, that the casino be required to share any personally identifiable information of an authorized sports bettor with a sports governing body only pursuant to an order to do so by the commission or a law enforcement agency or court of competent jurisdiction.

(e) Casinos shall promptly report to the commission any information relating to:

(i) criminal or disciplinary proceedings commenced against the casino in connection with its operations;

(ii) abnormal betting activity or patterns that may indicate a concern with the integrity of a sporting event or events;

(iii) any potential breach of the relevant sports governing body's internal rules and codes of conduct pertaining to sports wagering, as they have been provided by the sports governing body to the casino;

(iv) any other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain, including match fixing; and

(v) suspicious or illegal wagering activities, including use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, using agents to place wagers, using confidential non-public information, and using false identification.

The commission shall also promptly report information relating to conduct described in subparagraphs (ii), (iii) and (iv) of this paragraph to the relevant sports governing body.

(f) Casinos shall maintain the confidentiality of information provided by a sports governing body to the casino, unless disclosure is required by this section, the commission, other law, or court order.

(g) The commission, by regulation, may authorize and promulgate any rules necessary to implement agreements with other states, or authorized agencies thereof to enable the sharing of information to facilitate integrity monitoring and the conduct of investigations into abnormal betting activity, match fixing, and other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain.

(h) The commission shall study the potential for the creation of an interstate database of all sports wagering information for the purpose of integrity monitoring, and shall create a final report regarding all findings and recommendations to be delivered upon completion of all objectives described herein, but in no event later than March first, two thousand twenty, to the governor, the speaker of the assembly and the temporary president of the senate.

14. (a) Casinos shall use whatever data source they deem appropriate for determining the result of sports wagering involving sports wagers.

(b) The commission shall promulgate regulations to allow an authorized sports bettor to file a complaint alleging an underpayment or non-payment of a winning sports wager. Any such regulations shall provide that the commission utilize the statistics, results, outcomes, and other data relating to a sporting event that have been obtained from the relevant sports governing body in determining the validity of such claim.

15. A casino shall not permit sports wagering by anyone they know, or should have known, to be a prohibited sports bettor.

16. Sports wagering conducted pursuant to the provisions of this section is hereby authorized.

17. The conduct of sports wagering in violation of this section is prohibited.

18. (a) In addition to any criminal penalties provided for under article two hundred twenty-five of the penal law, any person, firm, corporation, association, agent, or employee, who is not authorized to offer sports wagering under this section or section thirteen hundred sixty-seven-a of this title, and who knowingly offers or attempts to offer sports wagering or mobile sports wagering in New York shall be liable for a civil penalty of not more than one hundred thousand dollars for each violation, not to exceed five million dollars for violations arising out of the same transaction or occurrence, which shall accrue to the state and may be recovered in a civil action brought by the commission.

(b) Any person, firm, corporation, association, agent, or employee who knowingly violates any procedure implemented under this section, or section thirteen hundred sixty-seven-a of this title, shall be liable for a civil penalty of not more than five thousand dollars for each violation, not to exceed fifty thousand dollars for violations arising out of the same transaction or occurrence, which shall accrue to the state and may be recovered in a civil action brought by the commission.

§ 2. The racing, pari-mutuel wagering and breeding law is amended by adding a new section 1367-a to read as follows:

§ 1367-a. Mobile sports wagering. 1. (a) Except as provided in this subdivision, the terms in this section shall have the same meanings as

such terms are defined in subdivision one of section thirteen hundred sixty-seven of this title.

(b) "Operator" means an entity offering a mobile sports wagering platform including an agent.

2. (a) No casino shall administer, manage, or otherwise make available a mobile sports wagering platform to persons located in New York state unless registered with the commission pursuant to this section. A casino may use one mobile sports wagering platform and brand provided that such platform and brand has been reviewed and approved by the commission. A casino may contract with an independent operator to provide its mobile sports wagering platform.

(b) Registrations issued by the commission shall remain in effect for five years. The commission shall establish a process for renewal.

(c) The commission shall publish a list of all operators and casinos registered to offer mobile sports wagering in New York state pursuant to this section on the commission's website for public use.

(d) The commission shall promulgate regulations to implement the provisions of this section, including the development of the initial form of the application for registration. Such regulations shall provide for the registration and operation of mobile sports wagering in New York state and shall include, but not be limited to, responsible protections with regard to compulsive play and safeguards for fair play.

3. In the event that a casino contracts with an operator to provide its mobile sports wagering platform and brand, such operator shall obtain a license as a casino vendor enterprise prior to the execution of any such contract, and such license shall be issued pursuant to the provisions of section one thousand three hundred twenty-seven of this article and in accordance with the regulations promulgated by the commission.

3-a. (a) The commission shall prescribe the initial form of the application for registration, for casinos and operators, which shall require, but not be limited to:

(i) the full name and principal address of the operator;

(ii) if a corporation, the name of the state in which incorporated and the full names and addresses of any partner, officer, director, shareholder holding ten percent or more equity, and ultimate equitable owners;

(iii) if a business entity other than a corporation, the full names and addresses of the principals, partners, shareholders holding five percent or more equity, and ultimate equitable owners;

(iv) whether such corporation or entity files information and reports with the United States Securities and Exchange Commission as required by section thirteen of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a-78kk; or whether the securities of the corporation or entity are regularly traded on an established securities market in the United States;

(v) the type and estimated number of contests to be conducted annually;

(vi) a statement of the assets and liabilities of the operator.

(b) The commission may require the full names and addresses of the officers and directors of any creditor of the operator, and of those stockholders who hold more than ten percent of the stock of the creditor.

(c) Upon receipt of an application for registration for each individual listed on such application as an officer or director, the commission shall submit to the division of criminal justice services a set of fing-

erprints, and the division of criminal justice services processing fee imposed pursuant to subdivision eight-a of section eight hundred thirty-seven of the executive law and any fee imposed by the federal bureau of investigation. Upon receipt of the fingerprints, the division of criminal justice services shall promptly forward a set of the individual's fingerprints to the federal bureau of investigation for the purpose of a nationwide criminal history record check to determine whether such individual has been convicted of a criminal offense in any state other than New York or in a federal jurisdiction. The division of criminal justice services shall promptly provide the requested criminal history information to the commission. For the purposes of this section, the term "criminal history information" shall mean a record of all convictions of crimes and any pending criminal charges maintained on an individual by the division of criminal justice services and the federal bureau of investigation. All such criminal history information sent to the commission pursuant to this subdivision shall be confidential and shall not be published or in any way disclosed to persons other than the commission, unless otherwise authorized by law.

(d) Upon receipt of criminal history information pursuant to paragraph (c) of this subdivision, the commission shall make a determination to approve or deny an application for registration; provided, however, that before making a determination on such application, the commission shall provide the subject of the record with a copy of such criminal history information and a copy of article twenty-three-A of the correction law and inform such prospective applicant seeking to be credentialed of his or her right to seek correction of any incorrect information contained in such criminal history information pursuant to the regulations and procedures established by the division of criminal justice services. The commission shall deny any application for registration, or suspend, refuse to renew, or revoke any existing registration issued pursuant to this article, upon the finding that the operator or registrant, or any partner, officer, director, or shareholder:

(i) has knowingly made a false statement of material fact or has deliberately failed to disclose any information required by the commission;

(ii) has had a gaming registration or license denied, suspended, or revoked in any other state or country for just cause;

(iii) has legally defaulted in the payment of any obligation or debt due to any state or political subdivision; or

(iv) has at any time knowingly failed to comply with any requirement outlined in this section, any other provision of this article, any regulations promulgated by the commission or any additional requirements of the commission.

(e) All determinations to approve or deny an application pursuant to this article shall be performed in a manner consistent with subdivision sixteen of section two hundred ninety-six of the executive law and article twenty-three-A of the correction law. When the commission denies an application, the operator shall be afforded notice and the right to be heard and offer proof in opposition to such determination in accordance with the regulations of the commission.

4. (a) As a condition of registration in New York state, each operator shall implement the following measures:

(i) limit each authorized sports bettor to one active and continuously used account on their platform, and prevent anyone they know, or should have known to be a prohibited sports bettor from maintaining accounts or participating in any sports wagering offered by such operator;

(ii) adopt appropriate safeguards to ensure, to a reasonable degree of certainty, that authorized sports bettors are physically located within the state when engaging in mobile sports betting;

(iii) prohibit minors from participating in any sports wagering, which includes:

(1) if an operator becomes or is made aware that a minor has created an account, or accessed the account of another, such operator shall promptly, within no more than two business days, refund any deposit received from the minor, whether or not the minor has engaged in or attempted to engage in sports wagering; provided, however, that any refund may be offset by any prizes already awarded;

(2) each operator shall provide parental control procedures to allow parents or guardians to exclude minors from access to any sports wagering or platform. Such procedures shall include a toll-free number to call for help in establishing such parental controls; and

(3) each operator shall take appropriate steps to confirm that an individual opening an account is not a minor;

(iv) when referencing the chances or likelihood of winning in advertisements or upon placement of a sports wager, make clear and conspicuous statements that are not inaccurate or misleading concerning the chances of winning and the number of winners;

(v) enable authorized sports bettors to exclude themselves from sports wagering and take reasonable steps to prevent such bettors from engaging in sports wagering from which they have excluded themselves;

(vi) permit any authorized sports bettor to permanently close an account registered to such bettor, on any and all platforms supported by such operator, at any time and for any reason;

(vii) offer introductory procedures for authorized sports bettors, that shall be prominently displayed on the main page of such operator platform, that explain sports wagering;

(viii) implement measures to protect the privacy and online security of authorized sports bettors and their accounts;

(ix) offer all authorized sports bettors access to his or her account history and account details;

(x) ensure authorized sports bettors' funds are protected upon deposit and segregated from the operating funds of such operator and otherwise protected from corporate insolvency, financial risk, or criminal or civil actions against such operator;

(xi) list on each website, in a prominent place, information concerning assistance for compulsive play in New York state, including a toll-free number directing callers to reputable resources containing further information, which shall be free of charge; and

(xii) ensure no sports wagering shall be based on a prohibited sports event.

(b) Operators shall not directly or indirectly operate, promote, or advertise any platform or sports wagering to persons located in New York state unless registered pursuant to this article.

(c) Operators shall not offer any sports wagering based on any prohibited sports event.

(d) Operators shall not permit sports wagering by anyone they know, or should have known, to be a prohibited sports bettor.

(e) Advertisements for contests and prizes offered by an operator shall not target prohibited sports bettors, minors, or self-excluded persons.

(f) Operators shall prohibit the use of third-party scripts or scripting programs for any exchange wagering contest and ensure that measures

are in place to deter, detect and, to the extent reasonably possible, prevent cheating, including collusion, and the use of cheating devices, including use of software programs that submit exchange wagering sports wagers unless otherwise approved by the commission.

(g) Operators shall develop and prominently display procedures on the main page of such operator's platform for the filing of a complaint by an authorized sports bettor against such operator. An initial response shall be given by such operator to such bettor filing the complaint within forty-eight hours. A complete response shall be given by such operator to such bettor filing the complaint within ten business days. An authorized sports bettor may file a complaint alleging a violation of the provisions of this article with the commission.

(h) Operators shall maintain records of all accounts belonging to authorized sports bettors and retain such records of all transactions in such accounts for the preceding five years.

(i) The server or other equipment which is used by an operator to accept mobile sports wagering shall be located in the licensed gaming facility in accordance with regulations promulgated by the commission.

(j) All mobile sports wagering shall be conducted in compliance with this section and section thirteen hundred sixty-seven of this title.

5. (a) Subject to regulations promulgated by the commission, casinos may enter into agreements with operators to allow for authorized bettors to sign up to create and fund accounts on mobile sports wagering platforms offered by the casino.

(b) Authorized sports bettors may sign up to create their account on a mobile sports wagering platform in person at a casino or through an operators' internet website accessed via a mobile device or computer, or mobile device applications.

(c) Authorized sports bettors may deposit and withdraw funds in their account on a mobile sports wagering platform in person at a casino, electronically recognized payment methods, or via any other means approved by the commission.

§ 3. Section 104 of the racing, pari-mutuel wagering and breeding law is amended by adding a new subdivision 24 to read as follows:

24. To regulate sports wagering in New York state.

§ 4. Subdivision 15 of section 1401 of the racing, pari-mutuel wagering and breeding law, as added by chapter 237 of the laws of 2016, is amended to read as follows:

15. "Prohibited sports event" shall mean any [~~collegiate sport or athletic event, any~~] high school sport or athletic event or any horse racing event.

§ 5. Severability clause. If any provision of this act or application thereof shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of the act, but shall be confined in its operation to the provision thereof directly involved in the controversy in which the judgment shall have been rendered.

§ 6. This act shall take effect on the same date and in the same manner as section 1367 of the racing, pari-mutuel wagering and breeding law pursuant to subdivision (c) of section 52 of chapter 174 of the laws of 2013, takes effect.

PART AAA

Section 1. Subparagraph (i) of the opening paragraph of section 1210 of the tax law is amended by adding a new clause 42 to read as follows:

(42) the county of Westchester is hereby further authorized and empowered to adopt and amend local laws, ordinances or resolutions imposing such taxes at a rate that is one percent additional to the three percent rate authorized above in this paragraph for such county for the period beginning March first, two thousand nineteen and ending November thirtieth, two thousand twenty-two;

§ 2. Section 1224 of the tax law is amended by adding a new subdivision (jj) to read as follows:

(jj) The county of Westchester shall have the sole right to impose the additional one percent rate of tax which such county is authorized to impose pursuant to the authority of section twelve hundred ten of this article. Such additional rate of tax shall be in addition to any other tax which such county may impose or may be imposing pursuant to this article or any other law and such additional rate of tax shall not be subject to preemption. The maximum three percent rate referred to in this section shall be calculated without reference to the additional one percent rate of tax which the county of Westchester is authorized and empowered to adopt pursuant to section twelve hundred ten of this article.

§ 3. Section 1262-b of the tax law, as amended by section 1 of part A of chapter 8 of the laws of 2004, is amended to read as follows:

§ 1262-b. The Westchester county property tax stabilization and relief act. (a) Notwithstanding any other provision of law to the contrary, if the county of Westchester imposes sales and compensating use taxes pursuant to [~~subdivision (a)~~] clause forty-two of subparagraph (i) of the opening paragraph of section twelve hundred ten of this article at the rate of [~~three~~] four percent:

(1) The county shall allocate net collections from such taxes imposed at the rate of one and one-half percent countywide among the cities and towns of the county on the basis of the ratio which the full valuation of real property in each city or town bears to the aggregate full valuation of real property in all cities and towns of the county. Amounts so allocated shall be credited to each of said cities and towns against the county taxes levied upon real property in said cities and towns.

(2) The county shall allocate and credit or pay net collections received by the county by reason of its additional one percent rate of such taxes on the area of the county outside any city imposing sales and compensating use taxes at a rate of one and one-half percent or greater pursuant to the authority of subdivision (a) or at any rate pursuant to the authority of [~~subdivision (b)~~] clause forty-two of subparagraph (i) of the opening paragraph of section twelve hundred ten of this article as follows:

(A) One-third of such net collections shall be allocated and credited in the manner set forth in paragraph one of this subdivision.

(B) One-sixth of such net collections shall be allocated and paid quarterly by the county commissioner of finance, in cash, to the several school districts in such area of the county outside any such city imposing sales and compensating use taxes. Such allocation and payment, to such several school districts, shall be made on the basis of the ratio which the population of each such school district bears to the aggregate population of all of the school districts in such area. In the case of school districts which are partially within and partially without the county, or partially within or partially without the area of the county outside a city imposing sales and compensating use taxes, the allocation and payment to each such school district shall be made on the basis of the population in such school district in the county, or in such area of

the county outside a city imposing sales and compensating use taxes, as the case may be. Such populations shall be determined in accordance with the latest federal census or special population census under section twenty of the general municipal law completed and published prior to the end of the quarter in which such allocation and payment are made, which special population census shall include the entire area of the county; provided that such special population census shall not be taken more than once in every two years. A school district split between Westchester county and another county shall apply such allocation and payment solely to the benefit of the residents of the county in which the sales and compensating use taxes are imposed.

(C) One-half of such net collections shall be allocated and paid quarterly by the county commissioner of finance, in cash, to the cities not imposing sales and compensating use taxes and to the towns and villages on which such additional one percent rate is imposed, on the basis of the ratio which the population of each such city, town or village on which such additional one percent rate is imposed bears to the entire population of all such cities, towns and villages in the area on which such additional one percent rate is imposed. Such populations shall be determined in accordance with the latest federal census or special population census under section twenty of the general municipal law completed and published prior to the end of the quarter in which such allocation is made, which special population census shall include the entire area of the county; provided that such special population census shall not be taken more than once in every two years.

(D) The quarterly allocation and payment of cash to cities, towns, villages and school districts provided for under this paragraph and under paragraph three of this subdivision may be made after payment by the state comptroller to the county of the net collections subject to such allocation and receipt by the county commissioner of finance of the quarterly settlement report issued by the department, and may include adjustments for corrections applicable to such allocations. All ratios established by the county commissioner of finance with respect to allocations to cities, towns, villages and school districts under this subdivision shall be carried to four decimal places. The allocation of net collections and payment of cash provided for under this paragraph and under paragraph three of this subdivision shall be made to a town based upon the population of the town less the population of any village therein, provided that a town/village or village/town shall be deemed a village for the purpose of determining such allocation. The allocation of net collections and payment of cash provided for under this paragraph and under paragraph three of this subdivision shall be applied by the cities, towns, villages and school districts receiving such allocation and payment as a credit against the taxes upon real property imposed by such municipalities and school districts, respectively. The allocation and payment received by towns shall be credited against real property taxes in either the general fund town-wide or the town outside village fund or a combination thereof.

(3) The county shall allocate and credit or pay net collections received by the county by reason of its additional **one and** one-half percent rate of such taxes imposed on the area of the county outside any city imposing sales and compensating use taxes at a rate of one and one-half percent or greater pursuant to the authority of subdivision (a) or at any rate pursuant to the authority of subdivision (b) of section twelve hundred ten of this article as follows:

(A) Seventy percent of such net collections shall be retained by the county to be used for any county purpose.

(B) Ten percent of such net collections shall be allocated and paid in the manner set forth in subparagraph (B) of paragraph two of this subdivision.

(C) Twenty percent of such net collections shall be allocated and paid in the manner set forth in subparagraph (C) of paragraph two of this subdivision.

(b) Nothing in this section shall be construed to impair the powers of a city currently imposing sales and compensating use taxes pursuant to the authority of section twelve hundred ten of this article from continuing to do so in accordance with law. No school district in any city imposing such sales and compensating use taxes shall be entitled to receive a cash allocation and payment under paragraph two or three of subdivision (a) of this section. No city, town or village authorized or entitled to receive an allocation under subparagraph (C) of paragraph two or subparagraph (C) of paragraph three of subdivision (a) of this section shall be authorized or entitled to receive any cash allocation under section twelve hundred sixty-two of this article.

§ 4. Subdivision e of section 4 and sections 5, 7 and 16 of chapter 272 of the laws of 1991, amending the tax law relating to the method of disposition of sales and compensating use tax revenue in Westchester county and enacting the Westchester county spending limitation act, as amended by chapter 81 of the laws of 2017, are amended to read as follows:

e. "Spending limitation" means the maximum amount of county spending established in county fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 [~~and~~], 2020, **2021 and 2022**.

§ 5. Establishment of annual spending limitation. a. For county fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 [~~and~~], 2020, **2021 and 2022** there shall be in effect an annual spending limitation. The spending limitation shall be derived from a fixed percentage reflecting the ratio of base year spending to county personal income. County personal income for such calculation shall be for the period January 1, 1986 through December 31, 1986. Such percentage shall be applied to county personal income for the period January 1, 1989 through December 31, 1989, to determine the spending limitation for county fiscal year 1992; to determine the spending limitation for county fiscal year 1993, such percentage shall be applied to county personal income for the period January 1, 1990 through December 31, 1990; to determine the spending limitation for county fiscal year 1994, such percentage shall be applied to county personal income for the period January 1, 1991 through December 31, 1991; to determine the spending limitation for county fiscal year 1995, such percentage shall be applied to county personal income for the period January 1, 1992 through December 31, 1992; to determine the spending limitation for county fiscal year 1996, such percentage shall be applied to county personal income for the period January 1, 1993 through December 31, 1993; to determine the spending limitation for county fiscal year 1997, such percentage shall be applied to county personal income for the period January 1, 1994 through December 31, 1994; to determine the spending limitation for county fiscal year 1998, such percentage shall be applied to county personal income for the period January 1,

1995 through December 31, 1995; to determine the spending limitation for county fiscal year 1999, such percentage shall be applied to county personal income for the period January 1, 1996 through December 31, 1996; to determine the spending limitation for county fiscal year 2000, such percentage shall be applied to county personal income for the period January 1, 1997 through December 31, 1997; to determine the spending limitation for county fiscal year 2001, such percentage shall be applied to county personal income for the period January 1, 1998 through December 31, 1998; to determine the spending limitation for county fiscal year 2002, such percentage shall be applied to county personal income for the period January 1, 1999 through December 31, 1999; to determine the spending limitation for county fiscal year 2003, such percentage shall be applied to county personal income for the period January 1, 2000 through December 31, 2000; to determine the spending limitation for county fiscal year 2004, such percentage shall be applied to county personal income for the period January 1, 2001 through December 31, 2001; to determine the spending limitation for county fiscal year 2005, such percentage shall be applied to county personal income for the period January 1, 2002 through December 31, 2002; to determine the spending limitation for county fiscal year 2006, such percentage shall be applied to county personal income for the period January 1, 2003 through December 31, 2003; to determine the spending limitation for the county fiscal year 2007, such percentage shall be applied to county personal income for the period January 1, 2004 through December 31, 2004; to determine the spending limitation for the county fiscal year 2008, such percentage shall be applied to county personal income for the period January 1, 2005 through December 31, 2005; to determine the spending limitation for the county fiscal year 2009, such percentage shall be applied to county personal income for the period January 1, 2006 through December 31, 2006; to determine the spending limitation for the county fiscal year 2010, such percentage shall be applied to county personal income for the period January 1, 2007 through December 31, 2007; to determine the spending limitation for the county fiscal year 2011, such percentage shall be applied to county personal income for the period January 1, 2008 through December 31, 2008; to determine the spending limitation for the county fiscal year 2012, such percentage shall be applied to county personal income for the period January 1, 2009 through December 31, 2009; to determine the spending limitation for the county fiscal year 2013, such percentage shall be applied to county personal income for the period January 1, 2010 through December 31, 2010; to determine the spending limitation for the county fiscal year 2014, such percentage shall be applied to county personal income for the period January 1, 2011 through December 31, 2011; to determine the spending limitation for the county fiscal year 2015, such percentage shall be applied to county personal income for the period January 1, 2012 through December 31, 2012; to determine the spending limitation for county fiscal year 2016, such percentage shall be applied to the county personal income for the period January 1, 2013 through December 31, 2013; to determine the spending limitation for the county fiscal year 2017, such percentage shall be applied to county personal income for the period January 1, 2014 through December 31, 2014; [~~and~~] to determine the spending limitation for county fiscal year 2018, such percentage shall be applied to the county personal income for the period January 1, 2015 through December 31, 2015; to determine the spending limitation for the county fiscal year 2019, such percentage shall be applied to county personal income for the period January 1, 2016 through December 31, 2016; [~~and~~] to

determine the spending limitation for county fiscal year 2020, such percentage shall be applied to the county personal income for the period January 1, 2017 through December 31, 2017**; to determine the spending limitation for the county fiscal year 2021, such percentage shall be applied to county personal income for the period January 1, 2018 through December 31, 2018; and to determine the spending limitation for the county fiscal year 2022, such percentage shall be applied to county personal income for the period January 1, 2019 through December 31, 2019**.

b. The spending limitation shall serve as a statutory cap on county spending to be reflected in the tentative budget as well as the enacted budget for county fiscal years beginning in 1992.

§ 7. Mandatory tax reduction. In the event that the county spending subject to the spending limitation exceeds such limitation in the adoptive county budget for county fiscal year 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 [~~or~~]~~,~~ 2020**, 2021 or 2022** then section 1262-b of the tax law shall be repealed.

§ 16. This act shall take effect immediately, provided, however, that sections one through seven of this act shall be in full force and effect until [~~May 31, 2020, provided, however, that if the county of Westchester imposes the tax authorized by section 1210 of the tax law in excess of three percent, then sections one through seven of this act shall be deemed repealed; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission upon the repeal of section 1262-b of the tax law pursuant to section seven of the Westchester county spending limitation act in order that the commission may maintain an accurate and timely effective data base of the official text of laws of the state of New York in furtherance of effecting the provisions of section 44 of the legislative law and section 70-b of the public officers law~~] **November 30, 2022**.

§ 5. This act shall take effect immediately; provided that the amendments to section 1262-b of the tax law made by section three of this act shall not affect the expiration of such section and shall be deemed to expire therewith; and provided, further that the amendments made to sections 4, 5 and 7 of chapter 272 of the laws of 1991 by section four of this act shall not affect the expiration of such sections and shall be deemed to expire therewith.

PART BBB

Section 1. The real property tax law is amended by adding a new section 307-b to read as follows:

§ 307-b. Additional tax on certain non-primary residence properties in a city with a population of one million or more. 1. Generally. Notwithstanding any provision of any general, specific or local law to the contrary, any city with a population of one million or more is hereby authorized and empowered to adopt and amend local laws in accordance with this section imposing an additional tax on certain residential properties.

2. Definitions. As used in this section: (a) "Commissioner of finance" means the commissioner of finance of a city having a population of one million or more, or his or her designee.

(b) "Department of finance" means the department of finance of a city having a population of one million or more.

(c) "Market value" shall mean the current monetary value of the property, using a comparable sale-based valuation method, as determined by the department of finance.

3. Additional tax. A local law enacted pursuant to this section may provide for a real property tax in accordance with the following table for fiscal years beginning on or after July first, two thousand twenty:

If the market value of the property is:	The tax is:
Over $5,000,000 but not over $6,000,000	$0 plus .5% of excess over $5,000,000
Over $6,000,000 but not over $10,000,000	$5,000 plus 1% of excess over $6,000,000
Over $10,000,000 but not over $15,000,000	$45,000 plus 1.5% of excess over $10,000,000
Over $15,000,000 but not over $20,000,000	$120,000 plus 2% of excess over $15,000,000
Over $20,000,000 but not over $25,000,000	$220,000 plus 3% of excess over $20,000,000
Over $25,000,000	$370,000 plus 4% of excess over $25,000,000

4. Property subject to additional tax. Such tax shall be imposed on class one properties, as that term is defined in section eighteen hundred two of this chapter, excluding vacant land, and all other residential real property held in condominium or cooperative form of ownership, that has a market value of five million dollars or higher and is not the primary residence of the owner or owners of such property, or the primary residence of the parent or child of such owner or owners.

5. Primary residence and/or relationship to owner or owners. The property shall be deemed to be the primary residence of the owner or owners thereof, if such property would be eligible to receive the real property tax exemption pursuant to section four hundred twenty-five of this chapter, regardless of whether such owner or owners have filed an application for, or the property is currently receiving such exemption. Proof of primary residence and the resident's or residents' relationship to the owner or owners shall be in the form of a certification as required by local law or the rules of the commissioner.

6. Rules. The department of finance of any city enacting a local law pursuant to this section shall have, in addition to any other functions, powers and duties which have been or may be conferred on it by law, the power to make and promulgate rules to carry out the purposes of this section including, but not limited to, rules relating the timing, form and manner of any certification required to be submitted under this section.

7. Penalties. (a) Notwithstanding any provision of any general, special or local law to the contrary, an owner or owners shall be personally liable for any taxes owed pursuant to this section whenever such owner or owners fail to comply with this section or the local law or rules promulgated thereunder, or makes such false or misleading statement or omission and the commissioner determines that such act was due to the owner or owners' willful neglect, or that under such circumstances such act constituted a fraud on the department. The remedy provided herein for an action in personam shall be in addition to any other remedy or procedure for the enforcement of collection of delinquent taxes provided by any general, special or local law.

(b) If the commissioner should determine, within three years from the filing of an application or certification pursuant to this section, that there was a material misstatement on such application or certification, he or she shall proceed to impose a penalty tax against the property of ten thousand dollars, in accordance with the local law or rules promulgated hereunder.

8. Cessation of use. In the event that a property granted an exemption from taxation pursuant to this section ceases to be used as the primary residence of such owner or owners or his, her or their parent or child, such owner or owners shall so notify the commissioner of finance in a time, form and manner as so required by local law or the rules of the commissioner.

§ 2. This act shall take effect immediately.

PART CCC

Section 1. Subdivision 1 of section 452 of the tax law, as amended by chapter 32 of the laws of 2016, is amended to read as follows:

1. On and after October first, nineteen hundred ninety-nine, a tax is hereby imposed and shall be paid upon the gross receipts of every person holding any professional or amateur boxing, sparring or wrestling match or exhibition in this state. Such tax shall be imposed on such gross receipts, exclusive of any federal taxes, as follows:

(a) [~~three~~] eight and one-half percent of gross receipts from ticket sales, except that in no event shall the tax imposed by this paragraph exceed fifty thousand dollars for any match or exhibition;

(b) three percent of the sum of: (i) gross receipts from broadcasting rights, and (ii) gross receipts from digital streaming over the internet, except that in no event shall the tax imposed by this paragraph exceed fifty thousand dollars for any match or exhibition.

§ 2. This act shall take effect immediately and shall apply to taxes imposed on and after such effective date.

PART DDD

Section 1. Paragraph 44 of subdivision (a) of section 1115 of the tax law, as added by section 1 of part WW of chapter 59 of the laws of 2017, is amended to read as follows:

(44) monuments as that term is defined in [~~subdivision~~] paragraph (f) of section fifteen hundred two of the not-for-profit corporation law; and for the purposes of this section such term shall also include the purchase of all materials and supplies used or consumed in the production or fabrication thereof.

§ 2. This act shall take effect immediately.

PART EEE

Section 1. Subdivision a of section 1614 of the tax law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

a. No prize claim shall be valid if submitted to the division following the expiration of a one-year time period from the date of the drawing or from the close of the game in which a prize was won, and the person otherwise entitled to such prize shall forfeit any claim or entitlement to such prize moneys. Unclaimed prize money, plus interest earned thereon, shall be [~~retained in the lottery prize account to be used for payment of special lotto or supplemental lotto prizes offered~~

~~pursuant to the plan or plans specified in this article, or for promotional purposes to supplement other games on an occasional basis not to exceed sixteen weeks within any twelve month period pursuant to the plan or plans specified in this article.~~

~~In the event that the director proposes to change any plan for the use of unclaimed prize funds or in the event the director intends to use funds in a game other than the game from which such unclaimed prize funds were derived, the director of the budget, the chairperson of the senate finance committee, and the chairperson of the assembly ways and means committee shall be notified in writing separately detailing the proposed changes to any plan prior to the implementation of the changes~~]
paid into the state treasury, to the credit of the state lottery fund created by section ninety-two-c of the state finance law.

§ 2. This act shall take effect immediately.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through EEE of this act shall be as specifically set forth in the last section of such Parts.